

2020-2025

# STRATEGIC PLAN



**MICTSETA**

Media, Information And  
Communication Technologies  
Sector Education And Training Authority

SHAPING SKILLS, PIONEERING INDUSTRIES, EMPOWERING FUTURES

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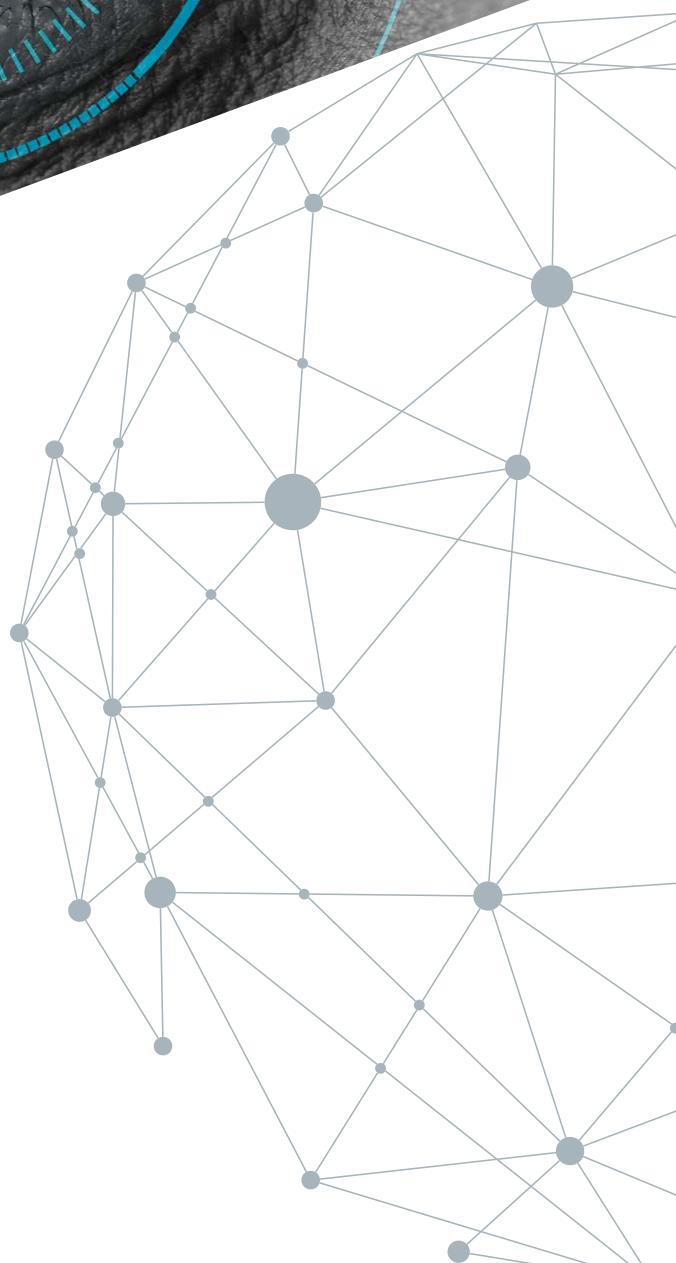
**MICTSETA** |

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# **PART 1: SECTOR SKILLS PLAN 2023-2024**





## Foreword



**Mr Matome Madibana**  
Chief Executive Officer (CEO): MICT SETA



**Mr Simphiwe Thobela**  
Chairperson: MICT SETA Board

In this annual update of the MICT SETA Sector Skills Plan, we have conducted rigorous research to ensure that the documented occupational shortages and skills gaps are true reflections of demand and supply in the labour market. Data on labour shortages is often a subject of debate and thus, a number of different stakeholders were consulted to construct a comprehensive picture of the Sector and its direction.

This year, we did a comprehensive analysis of 4IR technologies and their role in the MICT Sector to acquire deeper insights into the real skills shortages and support industry in closing those skills gaps. The more confidence we have in the Sectoral Priority Occupations, the more assured we are of the Strategic Plan. The combined efforts from all stakeholders to produce this document are gratefully acknowledged. The following deserve special mention:

- The MICT SETA Accounting Authority members;
- MICT SETA Industry and professional bodies;
- Academic and research institutions at large;
- Organised Labour, and
- The stakeholders who kindly participated in our interviews, surveys and focus groups.

Our thanks go to all the stakeholders whose collective wisdom has been incorporated into this document. Sharing of knowledge is a catalyst for achieving South Africa's skills development potential and economic growth.

**Mr Matome Madibana**  
Chief Executive Officer (CEO): MICT SETA

**Mr Simphiwe Thobela**  
Chairperson: MICT SETA Board



## Acronyms

4IR	Fourth Industrial Revolution
5G	Fifth-Generation Wireless Technology
ACASA	Association for Communication and Advertising South Africa
AI	Artificial Intelligence
AR	Augmented Reality
ATR	Annual Training Report
B-BBEE	Broad-Based Black Economic Empowerment
BABOK	A Guide to the Business Analysis Body of Knowledge
CAGR	Compound Annual Growth Rate
CBO	Community-Based Organisations
CECS	Centre of Excellence in Cyber Security
CEO	Chief Executive Officer
CISCO	Commercial & Industrial Security Corporation
CISSP	Certified Information Systems Security Professional
COBOL	Common Business-Oriented Language
CompTIA	Computing Technology Industry Association
COVID-19	Corona Virus Disease 2019
DCDT	Department of Communications & Digital Technologies
DHET	Department of Higher Education
DEF	Deaf Empowerment Firm
DPSA	Department of Public Service and Administration
DTT	Digital Terrestrial Television
EE	Employment Equity
ETQA	Education and Training Quality Assurance
FOSS	Free Open Access Software
GDP	Gross Domestic Product
GITOC	Government Information Technology Officers Council
HEI	Higher Education Institution
HEMIS	Higher Education Management Information System
HRDSSA	Human Resource Development Strategy of South Africa
HTFV	Hard to Fill Vacancy
IBM	International Business Machines

## Acronyms *(continued)*

IIBA	International Institute of Business Analysis
ICASA	Independent Communications Authority of South Africa
ICT	Information and Communication Technology
IITPSA	Institute of Information Technology Professionals South Africa
IoT	Internet of Things
IPAP	Industrial Policy Action Plan
ISACA	Information Systems Audit and Control Association
IT	Information Technology
ITA	Information Technology Association
M&E	Monitoring and Evaluation
MANCO	Management Committee
MCSA	Microsoft Certified Solutions Associate
MCSD	Microsoft Certified Solutions Developer
MCSE	Microsoft Certified Solutions Expert
MDDA	Media Development and Diversity Agency
MICT	Media, Information and Communication Technologies
MTSF	Medium Term Strategic Framework
NAB	National Association of Broadcasters
NDP	National Development Plan
NGO	Non-Governmental Organisation
NGP	New Growth Path
NLPE	Neuro-Linguistic Programming Executive
NLRD	National Learner Record Database
NQF	National Qualifications Framework
NSI	National System of Innovation
NSDP	National Skills Development Plan
OFO	Organising Framework for Occupations
OGS	Online Grant System
PC	Personal Computer
PRINCE2	Projects in Controlled Environments 2
PICC	Presidential Infrastructure Coordinating Commission
QCTO	Quality Council for Trades and Occupations



QMR	Quarterly Monitoring Report
SACIA	Southern African Communications Industries Association
SAP	Systems Applications and Products
SDF	Skills Development Facilitator
SDL	Skills Development Levy
SEDA	Small Enterprise Development Agency
SETA	Sector Education and Training Authority
SET	Science, Engineering and Technology
SIC	Standard Industrial Classification
SIP	Strategic Integrated Projects
SITA	State Information Technology Agency
SKA	Square Kilometre Array
SLA	Service-Level Agreement
SMME	Small, Medium and Micro-enterprises
SPO	Sectoral Priority Occupations
SSP	Sector Skills Plan
STB	Set Top Box
TIA	Technology Innovation Agency
TVET	Technical Vocational Education and Training
USAASA	Universal Service and Access Agency of South Africa
VOD	Video on Demand
VOIP	Voice Over Internet Protocol
VR	Virtual Reality
WIL	Work Integrated Learning
WP-PSET	White Paper on Post Schooling Education and Training
WSP	Workplace Skills Plan

## Executive Summary

The MICT Sector Skills Plan (SSP) has been developed over the period of NSDP to map out and plan for occupational skills needs in the Advertising, Film and Electronic Media, Electronics, Information Technology and Telecommunications industries. The SSP is updated each year to analyse the changes in the sector's labour market and does so against the backdrop of the economic performance of the sector and developmental agenda of the country. It sizes up the gap between the demand for and supply of skills and finally outlines strategies for dealing with the identified challenges.

### Data collection tools and methods

The data collection tools used include: Interview questionnaires specifically designed to capture the key trends across the five sectors that exist within the MICT SETA; an integration of existing research was a priority, and therefore, tracer study findings were also incorporated in the finalisation of this research document, and online surveys and focus group discussions were key in validating the research findings. Furthermore, there was a review of available literature, including national policy and strategy documents, industry plans and sector performance reports. An analysis of data, including SETA employer and employee data, economic and labour market trend data accessed through StatsSA and industry reports and SETA data on grant spending and learner enrollments and completions in recent years, however it remains difficult to access the most recent HEMIS data on TVET colleges. We were able to access Higher Education Information Management System (HEMIS) data up until 2018 for TVET completions. In addition, there was continuous consultation with stakeholders in each of the sub-sectors, the SETA research team and SETA management focusing specifically on the SSP content and the update of the information. In relation to the Hard to fill vacancies, Skills gaps and PIVOTAL lists, efforts have been made to triangulate findings and confirm the findings with stakeholders.

### Sector profile

In the 2021/22 fourth quarter, the transport, storage and communication industry increased by 2, 2%, contributing 0, 2 of a percentage point to Gross Domestic Product (GDP). Increased economic activity was reported for land transport and transport support services. The figure is a depiction of how the MICT sector (transport, storage and communication industry) is performing against the other sectors.

As of 2022, the MICT Sector is made up of 32 985 employers, which are spread across five sub-sectors, this represents a 7% decrease from the 35 569 in the previous financial year. From the current employer base, only 8,896 employers are paying levies, this is a slight decline of 2% from 9 093 compared to the previous financial year. The MICT sector experienced an increase in the number of employees recording 228 990 in 2022. The largest proportion (54%) of employees are working in the Information and Technology sub-sector, followed by 28% working in Telecommunications, and 9% in the electronics sub-sector. The sub-sector with the lowest number of employees is advertising accounting for 4%, and Film, and Electronic Media accounting for 5%.

### Key Skills Change Drivers

The key drivers of change influencing skills demand and supply across the MICT sector include artificial intelligence, cloud computing, big data analytics, 5G and internet of things.

Change drivers affect how businesses operate and survive into the future. Thus, new ways of doing things, including skills training, are required to exploit new opportunities in the market that emerge as a result of 4IR. Furthermore, the COVID-19 pandemic has spurred on the uptake of 4IR technologies and the relevant skills that are required to enable it. The above-mentioned change drivers call for the continued development of technologies and skills in the sector. However, this must be balanced with also catering for lower-end skills. Ensuring inclusive digital revolution means paying attention to those still becoming digitally literate.





## Occupational Shortages and Skills Gaps

The following is a list of the top 10 sectoral priority occupations for the MICT sector: Software Developer; Computer Network and Systems Engineer; ICT Systems Analyst; Management Consultant (Business Analyst); ICT Security Specialist; Multimedia Specialist; Programmer Analyst; Developer Programmer; ICT Project Manager; and ICT Sales Representative. The predominant skills gaps in the sector include: Design and Critical Thinking skills, Communication skills, Leadership skills, Technical skills, Project Management skills, and certified skills (CompTIA A+, Network+, MCSA, MCSE, Azure, CISCO, etc.). The MICT sector priority occupations constitute 14% of the national priority skills published by DHET in February 2022; these are 14 occupations out of the 101 occupations in the national list.

## SETA partnerships

The MICT SETA has entered into partnerships with various institutions to advance sector development and growth. These partnerships are structured into the following typologies: Partnerships with TVET colleges; Partnerships with Universities; Partnerships for Special Projects; Partnerships with Industry Vendors; Partnerships with SMMEs; and Partnerships with Research.

There are a number of successful partnerships that were implemented by the SETA including the partnership with the South African Mobile Devices Distributors and Repairs Association (SAMDDRA). Through this partnership young South Africans were afforded the opportunity to participate in a phone repairs Skills Programme which saw 61 learners successfully completing and graduating from the programme. There were also partnerships that were not working well including TVET College partnerships. TVET colleges in rural areas are lacking in skilled lecturers, infrastructure and alternative centres of excellence. Thus, TVET colleges may at times lack delivery capacity, which impacts negatively on the timeous implementation of programmes. There is a challenge with University partnerships as more often than not, administrative delays in reviewing of SLAs often creates delays in the implementation of programmes. However, the SETA is working continuously to overcome the challenges identified and leverage on successful partnerships.

## SETA monitoring and evaluation

The MICT SETA considers itself as a reflective organisation, applying the results-based approach to M&E, which is intended to aid decision-making through credible, reliable, and useful information generated from monitoring reports. From the MICT SETA perspective, the achievement of the result-based approach may not be possible without integration of Planning, Monitoring and Evaluation. Planning helps to focus on results that matter, while M&E facilitates learning from past successes and challenges including those encountered during implementation. Therefore, the MICT SETA has dedicated efforts to establish a meaningful M&E Division in an incremental fashion which will see the staff complement steadily increasing over time. In the main, the Division oversees the overall performance of the SETA on implementation of its programmes and initiatives as well as reporting thereof. The Division's core functions include designing and implementing the M&E system, gathering and interpreting monitoring data for decision making and improvement in implementation. Institutionalising M&E is the epicentre to managing programme performance information at the MICT SETA.

## Executive Summary *(continued)*

### Strategic skills priority actions

The following set out the proposed broad skills development objectives for the sector:

1. Improve the trustworthiness of the data used for skills planning through data triangulation. Such systematic and in-depth research will be achieved through collaboration with industry bodies, universities, and acclaimed research institutions.
2. Better position the MICT sector to enable the 4IR through increasing access to and uptake of relevant skills development interventions, and by developing required qualifications and learning interventions. This will be achieved further through support by the SETA for the development of the skills required to research, develop and commercialise 4IR technologies and products. The impact of COVID-19 in relation to the enablement of 4IR cannot be ignored and therefore, in implementing 4IR priority programmes, companies that have been and will be impacted by COVID-19 are also accounted for in the SETA's strategies.
3. Set realistic targets in collaboration with industry, ensure implementation through the allocation of discretionary grants and monitor delivery of Service Level Agreement deliverables as a way of addressing sectoral occupational shortages and skills gaps. This will prioritise the development of skills that enable 4IR occupations and specialisations. The COVID-19 phenomenon has been taken into consideration with regard to the SETA's strategic planning and has been acknowledged as a catalyst for the necessary 4IR related skills development.
4. Identify TVETs with the potential for meaningful collaboration and enter into partnerships with them. These partnerships will recognise some of the TVETs as Centres of Specialisation, linking them with industry and ensuring that programmes offered are aligned to identified skills gaps for ease of learner placement on programmes such as WIL.
5. Scope skills development needs and priorities in rural areas, provide career and vocational guidance, support government in addressing e-governance issues, and assist aspirant training providers to attain accreditation and deliver MICT SETA programmes. The SETA will support initiatives which apply technology in a manner that enables transformation of the sector, with regards to female learners, learners with disabilities and rural learners.
6. Improve provision of skills development to SMMEs, entrepreneurs and community-based organisations, particularly with regard to 4IR. This will enable the development and commercialisation of technologies and products that improve localisation and increase exports. The SETA will develop cross-sectoral partnerships and projects in the delivery of learning interventions.
7. Identify and develop occupational qualifications through the QCTO for occupations in high demand in consultation with the sector. Furthermore, the SETA will put in place mechanisms to prioritise all its qualifications and ensure increased number of accredited skills development providers offering occupational qualifications in high demand on an annual basis.



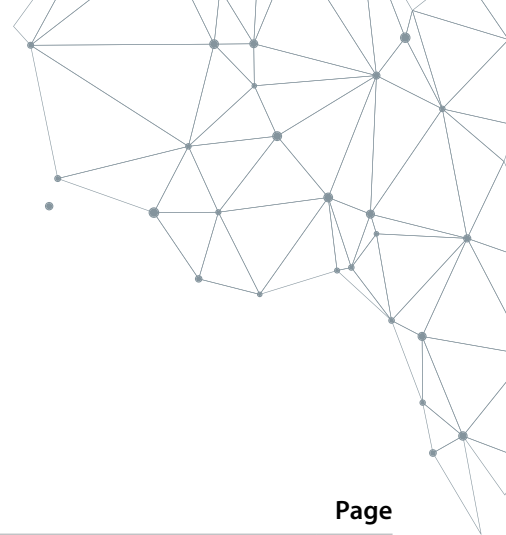
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# SSP Research Process and Methods

## Introduction

In working towards the 2023/24 Sector Skills Plan (SSP) the MICT SETA was guided by the Department of Higher Education and Training's 2022 SSP guidelines and requirements framework. Sections with new requirements were identified to be only in chapter 5, with the new requirement being to report on interventions that were implemented in support of the ERRP Skills Strategy. Recognising that the research needs to be evidence informed, consultations with key industry role players were conducted to identify important trends within the sub-sectors, and at a strategic level the MICT SETA Accounting Authority (AA) was also consulted.

The SSP Research Process and Methods section in this document presents the research process that was followed to prepare this SSP. In summary, the research process started with a review of literature to look at the MICT sector broadly. Secondly, interviews were conducted with stakeholders and experts within each sub-sector including Trade Unions and Industry Associations. Questions asked in these interviews focused on the impact of the 4IR on the sector as well as the impact of the COVID-19 pandemic and what the SETA should be prioritising in the 2023/24 financial year. The research process also involved employer surveys, which focused on the 4IR and the pandemic, focus groups and a tracer study, which centred on the relevance and effectiveness of the learning programmes implemented by the SETA. Moreover, an analysis was conducted using StatsSA data and data found in industry research as well as WSP/ATR data supplied by the SETA and the Higher Education Management Information System (HEMIS). Data was also sourced externally to provide information on the sector profile of the MICT sector and the supply of skills in the sector. Together, all of these sources were used to write a quality researched SSP.

## Data collection tools and methods

The data collection tools used included interview questionnaires specifically designed for the MICT SETA; employer surveys; and tracer studies.

The main methods of data collection for the study were: a review of available literature, including national policy and strategy documents, industry plans and sector performance reports; an analysis of data, including SETA employer and employee data, economic and labour market trend data accessed through StatsSA and industry reports, SETA data on grant spending and learner enrollments and completions in recent years, and HEMIS data on the supply of skills in the sector; interviews with industry stakeholders including employers; employer surveys; tracer studies; and focus groups.

In addition, there was continuous consultation with stakeholders in each of the sub-sectors, the SETA research team and SETA management focusing specifically on the SSP content and the update of the information in it. In relation to the Hard to fill vacancies, Skills gaps and PIVOTAL lists, efforts have been made to triangulate and confirm the findings with stakeholders. The following data collection tools were used:

## Review of key literature

As a first step, the current MICT SETA SSP was reviewed. Next, the relevant policies and strategies of the country were reviewed. The aim was to ensure that the SSP aligns with the country's key strategies, such as the Economic Reconstruction and Recovery Plan (ERRP), as well as the supporting Skills Strategy, National Skills Development Plan (NSDP), the National Development Plan (NDP) and associated Medium Term Strategic Framework (MTSF) plans, the New Growth Path (NGP), Industrial Policy Action Plan (IPAP), the White Paper on Post School Education and Training and the Human Resource Development Strategy of South Africa (HRDS-SA), and now the COVID-19 Economic Reconstruction and Recovery Skills Strategy, amongst others.



## **Workplace Skills Plan (WSP) and Annual Training Report (ATR)**

For the period 2022/23, the final submission date for WSP and ATR data from employers was 30 April 2022 as legislated; in this regard, the 2021 OFO code framework was used for the submissions. This data is important to assist in understanding the training needs and trends as well as the qualifications and skills needed in the different sub-sectors.

## **HEMIS**

HEMIS data is sourced from the Department of Higher Education and Training (DHET). It provides information on all of the public Higher Education Institutions (HEI) in the country on enrollments and graduation rates.

## **Online employer survey**

An online employer survey was disseminated. Data from this survey was used to supplement the WSP/ATR data since not all of the employers are captured in that dataset. The aim of the survey, together with getting additional data, was to strengthen the relationship the SETA has with the employers and other key role players such as professional bodies in the sector. Additionally, valuable industry information was obtained from all of the MICT sub-sectors. Questions were asked about hard to fill vacancies, skills gaps, the impact of the COVID-19 pandemic as well as the impact of the 4IR.

## **Tracer study**

In 2021, the SETA conducted a tracer study to assess the relevance and effectiveness of the learning programmes the SETA implements. The study aimed to determine the destinations of learners who have completed learnerships, internships, skills programmes, short learning programmes and bursary programmes. The purpose of the study was to understand the factors associated with employment/unemployment in respect of the intricacies of the articulation of qualifications into occupations, and to determine the nature of employment of learners who found employment.

## **In-depth interviews**

Interviews were conducted with industry stakeholders in the sector. These were semi-structured interviews that allowed room for discussion on matters of importance to stakeholders. Interviews are important as the voices of key industry stakeholders are heard about important issues such as the COVID-19 pandemic, the 4IR and the economic performance of the sector.

## **Focus groups**

Focus groups are important for data validation as they offer in-depth understanding of the participants; in this case how key experts view the changes in the sector and how the MICT SETA should respond and prioritise in the next financial year. The SETA conducted online focus group sessions. Topics of discussion included the validating of the scarce and critical skills identified in the research. It also identified the necessary interventions needed to address skills needs and explored difficulties experienced in relation to supply of such skills. This process also highlighted challenges faced by stakeholders in working with the SETA in delivering relevant occupational programmes in each of the sub-sectors and was able to suggest ideas for strengthening skills development.

## SSP Research Process and Methods *(continued)*

Table 1: Research undertaken by the SETA

Topic	Nature (design) of the study	Objectives of study	Data collection tool	Sample size and scope	Data sources and data sets	Time frame
<b>2022/23 sector skills plan</b>	Qualitative	The objectives of the study was to get an understanding of key developments in the sector, gather insights regarding hard to fill vacancies, skills gaps, future skills and change drivers in the MICT sector. In addition, the focus was on the impact of the Fourth Industrial Revolution (4IR) and COVID-19 as well as how the SETA can better align its priorities to the NSDP and the ERRP. This study covered the views of various stakeholders across all the five sub-sectors of the MICT sector.	<ul style="list-style-type: none"> <li>Interview questionnaire</li> <li>Online Surveys</li> <li>Focus groups</li> <li>Literature reviews</li> </ul>	<ul style="list-style-type: none"> <li>The scope of the study was employers, industry associations, research institutions and trade unions</li> <li>35 interviews were conducted</li> <li>411 electronic questionnaires were distributed.</li> </ul>	<ul style="list-style-type: none"> <li>MICT SETA Levy Huge File</li> <li>Key role players list</li> </ul>	<b>2021/22</b>
<b>2022/23 sub-sector mini research studies</b>	Quantitative and qualitative	The goal of these reports is to shed light on the greater details of the individual sub-sectors. The observation is that not all of the information generated as part of the research is recorded in the SSP, which aggregates much of the sub-sector data into an overview of the MICT sector. These background reports therefore provide supplementary information on the sub-sectors in addition to details provided in the SSP.	<ul style="list-style-type: none"> <li>Interview questionnaire</li> <li>Online Surveys</li> <li>Focus groups</li> <li>Literature reviews</li> </ul>	<ul style="list-style-type: none"> <li>The scope of the study was key employers, professional bodies, research institutions, training providers and trade unions.</li> <li>411 electronic questionnaires were distributed.</li> </ul>	<ul style="list-style-type: none"> <li>MICT SETA Levy Huge File</li> <li>MICT SETA Training Provider List</li> <li>Key role players list</li> </ul>	<b>2021/22</b>

Topic	Nature (design) of the study	Objectives of study	Data collection tool	Sample size and scope	Data sources and data sets	Time frame
<b>MICT SETA COVID-19 pulse survey</b>	Quantitative and qualitative	The objective of the survey was to ascertain the impact of the COVID-19 pandemic on the sector and employers' states of readiness to resume learning programmes and business operations given the lockdown imposed at that time.	<ul style="list-style-type: none"> <li>Survey</li> </ul>	<ul style="list-style-type: none"> <li>The scope of the survey was employers and training providers</li> <li>The sample size reached was 65</li> </ul>	<ul style="list-style-type: none"> <li>MICT SETA Levy Huge File</li> <li>MICT SETA Training Provider List</li> </ul>	<b>2021/22</b>
<b>MICT SETA Tracer Study</b>	Quantitative and Qualitative	The study aimed to determine the destinations of learners who have completed learnerships, internships, skills programmes, short learning programmes and bursary programmes, amongst others.	<ul style="list-style-type: none"> <li>Survey</li> <li>Telephone calls</li> <li>Interviews</li> <li>Focus groups</li> </ul>	<ul style="list-style-type: none"> <li>The scope of the survey and telephone calls were learners who completed MICT SETA learning programmes in the 2019/20 financial year.</li> <li>The sample size reached was 720.</li> </ul>	<ul style="list-style-type: none"> <li>MICT SETA Commitment Register</li> <li>MICT SETA Training Provider List</li> </ul>	<b>2021/22</b>

## Conclusion

A mixed method of data collection was followed including quantitative and qualitative data. Provided that each method on its own has its limitations, using them together resulted in a robust analysis of the MICT sector. There were two data challenges that emerged during the 2023/24 research process. These included:

- i. StatsSA does not break down data according to the sub-sectors relevant to the MICT sector. Looking at what is contained in each StatsSA sector allowed us to determine which sectors are relevant to the MICT sector.
- ii. HEMIS data for enrollments and graduation in the higher education system reflects up to 2020 enrollments. Data for 2021 onwards is not yet available, this limits the SETA in reporting the most accurate information.



## **CHAPTER 1: SECTOR PROFILE**



## Sector Profile

### 1.1 Introduction

This chapter discusses the sector profile of the Media, Information and Communication Technologies (MICT) sector, looking at the size, scope of coverage, key role players, economic performance, employer and labour market profile. Moreover, it will also provide a detailed economic outlook of the sector, describing how the sector will unfold in the 2023/24 financial year, the status quo since the COVID-19 pandemic, and concludes with implications for skills development. In profiling the five sub-sectors of the MICT sector, research data from multiple sources, including publicly available literature and data as well as MICT SETA databases, were analysed. Specific data sources included SETA employer and employee data from the WSP/ATR datasets, economic and labour market trend data accessed through Statistics South Africa (StatsSA) and industry reports, employer survey data, industry interviews as well as focus groups.

### 1.2 Scope of coverage

The MICT sector is made up of five sub-sectors that are interrelated yet quite distinct and identifiable: Advertising, film and electronic media, electronics, information technology and telecommunications.

The Standard Industry Classification (SIC) codes that demarcate the MICT sector, shown in the table below, fall under four different sub-industries, namely: (1) manufacturing; (2) transport, storage and communication; (3) finance, insurance, real estate and business services; and (4) community, social and personal services.

**Table 2: The MICT SETA SIC code list**

Sub-sector	SIC code	Main activity description
<b>Advertising</b>	88310	Advertising
	88311	Activities of advertising agents
	88313	Commercial design
<b>Film and Electronic Media</b>	96110	Motion picture and video production and distribution
	96112	Related activities: film and tape renting to other industries, booking, delivery and storage
	96113	Film and video reproduction
	96132	Production and broadcast of radio and television broadcast content
	96200	News agency activities
	88940	Photographic activities

## Sector Profile *(continued)*

### 1.2 Scope of coverage *(continued)*

Sub-sector	SIC code	Main activity description
<b>Electronics</b>	35791	Manufacture of alarm systems
	75216	Security systems services except locksmiths
	75217	Office automation, office machinery and equipment rental leasing including installation and maintenance
	86004	Electronic and precision equipment/computer repairs and maintenance
	86010	Consumer electronics repair and maintenance
	86013	Other electronic and precision equipment repair and maintenance
	86014	Repair and maintenance of electronic marine equipment
	87142	Research and development of electronic equipment and systems
	87143	Information technology import and product integration of pre-manufactured electronics it and telecommunications equipment
	87146	Research and development in the physical and engineering sciences
	87147	Electronics importation and product integration of pre-manufactured electronics it and telecommunications equipment
	96133	Installation, maintenance and repair of tracking devices for cars
<b>Information Technology</b>	86001	Software publishers
	86002	Computer systems design and related services
	86003	Computer facilities management services
	86005	Computer rental and leasing
	86006	Computer programming services
	86007	Other computer related activities
	86008	Call centre and customer relationship management systems development and installations activities
	86009	Computer system design services and integrated solutions
	86011	Computer and office machine repair, maintenance and support services



Sub-sector	SIC code	Main activity description
<b>Tele-communications</b>	75200	Telecommunication
	75201	Wired telecommunications carriers
	75202	Television and radio signal distribution
	75203	Cable networks and programme distribution
	75204	Telephone
	75205	Wireless telecommunications carriers except satellite radio telephone
	75209	Television broadcasting
	75211	Telecommunications and wired telecommunication carriers
	75212	Paging
	75213	Cellular and other wireless telecommunications
	75214	Satellite telecommunications
	75215	Other telecommunications
	86012	Communication equipment repair and maintenance
	87148	Telecommunications importation and product integration of pre-manufactured electronics it and telecommunications equipment
	96131	Providing radio and television transmission signals

Source: Government Notice, No. 42589, Government Gazette, 22 July 2019

## Sector Profile *(continued)*

### 1.3 Key role players

The MICT sector is characterised by various stakeholders that play a significant role in helping the SETA deliver on quality, innovative skills that contribute to the national economic growth. A brief description of key role players and their role in the MICT sector can be seen below:

**Table 3: Key role players**

Stakeholder	Role
<b>Oversight bodies</b>	
<b>Department of Higher Education and Training</b>	
The DHET plays an oversight role in the governance of the MICT SETA as legislated in the Skills Development Act. The Minister DHET oversees the performance of SETAs and the SETA accounting authority reports to the Minister as the Executive Authority.	
<b>Professional bodies</b>	
<b>Information Technology Association (ITA):</b>	
The ITA stands at the threshold of a new era for the local ICT Industry: With its membership and industry partners, it positions itself to play a crucial role in the growth and development of the ICT sector, as well as serving as a credible, effective channel of communication between various stakeholders. One of the functions of the ITA is lobbying and negotiating at government level on behalf of its members. Members have the opportunity of influencing the South African legislative mechanism through verbal and written submissions by the ITA. This has far-reaching effects, which go beyond its members and positively impact the ICT industry of South Africa as a whole. ITA responds to NSDP outcome 4.2 and also aligns to intervention 3 of the ERRP Skills Strategy which is about expanding the provisioning of WBL programmes that respond to the occupational shortages and skills gaps. The ITA is in partnership with the DCDT, DPSA, GITOC and SITA, and these partnerships aim to build an ongoing digital government skills programme, which covers foundational digital skills (such as computer user skills) and advanced skills (such as data analytics skills).	
<b>Information and Communication Technologies SMME Chamber (ICT SMME Chamber):</b>	
The ICT SMME Chamber is recognised for its importance and centrality in South Africa's development framework. It plays a critical role in engaging with government and other ICT stakeholders and in lobbying government on behalf of the ICT SMMEs on all matters of ICT SMME development and ICT sector transformation. It responds to NSD outcome 4.6 on entrepreneurship and cooperative development, ERRP intervention 7, as well as the ERRP skills strategy intervention 7 on Strengthening entrepreneurship development programmes.	
<b>Universal Service and Access Agency of South Africa (USAASA):</b>	
USAASA is a State-Owned Entity of government established through the Electronic Communications Act, No 36 of 2005, to ensure that "every man, woman and child whether living in the remote areas of the Kalahari or urban areas of Gauteng can be able to connect, speak, explore and study using ICT." In providing crucial infrastructure to rural communities and educational institutions, USAASA contributes to realising NSDP outcomes 4.2 and 4.5. The role also aligns to the ERRP intervention 3 and its Skills Strategy interventions 10 which highlights the need for strengthening the PSET system to meet the medium- and long-term demands of the economy.	



Stakeholder	Role
<b>The Independent Communications Authority of South Africa (ICASA):</b>	
<p>ICASA Plays a role of sponsoring and supporting several educational programs to encourage students and professionals to explore the field of complex additive systems analysis. Currently, it offers several programmes such as internships; Through its activities it responds to NSDP outcome 4.2 and both the ERRP and its Skills Strategy intervention 3. Through these programmes ICASA is committed to improving critical thinking and analytical skills in the intelligence community by design through the development of high-quality, cutting-edge training. Programmers that undergo the training after finishing are able to develop state-of-the-art products of innovation.</p>	
<b>Institute of Information Technology Professionals South Africa (IITPSA):</b>	
<p>IITPSA actively engages with commerce, industry, and government to influence policy formulation on behalf of both its own members and other stakeholders. The Institute also encourages the growth of professionalism and the responsible and professional use of information and communications technology throughout the South African economy. The IITPSA responds to the NSDP outcome 4.2 and both the ERRP and its Skills Strategy intervention 3 and 10 by working together with other interested stakeholders to accredit university programmes with computing content at South African Universities.</p>	
<b>Government departments</b>	
<b>Department of Communications and Digital Technologies (DCDT):</b>	
<p>The DCDT collaborates with universities and other partners such as IITPSA, ITA, ICASA and other relevant industry professional bodies to develop ICT policies and legislations that advance the South African economy. The department has special partnerships with, amongst others, civil society organisations, particularly those that have a major interest in skills building and achieving race, gender and disability equity. Through its activities, it responds to NSDP outcome 4.2 and both the ERRP and its Skills Strategy intervention 3 and 10.</p>	
<b>Educational institutions</b>	
<b>Universities:</b>	
<p>Universities in partnership with the SETA play an important role in ensuring that learners from disadvantaged communities are afforded the same opportunities as their counterparts from affluent backgrounds. These partnerships improve the supply of skilled people in the sector and afford learners from previously disadvantaged backgrounds opportunities to acquire high-level skills critical to industry development and growth, thus creating employment for those graduates. These partnerships are in response to NSDP outcome 4.2., both the ERRP and its Skills Strategy intervention 3, 4 and 10.</p>	
<b>TVET Colleges:</b>	
<p>Technical and Vocational and Education and Training (TVET) play an important role in implementing and promoting sustainable development. They are major suppliers of workforce that is already dealing with sustainable issues. They are key role players in providing training that focuses on practical skills, they offer adaptable programmes. Their role and partnership with the SETA is in response to the NSDP outcome 7 on promoting the growth of the public college system. Moreover, the partnership role between the SETA and TVET colleges also aligns to intervention 10 of both the ERRP and its Skills Strategy.</p>	

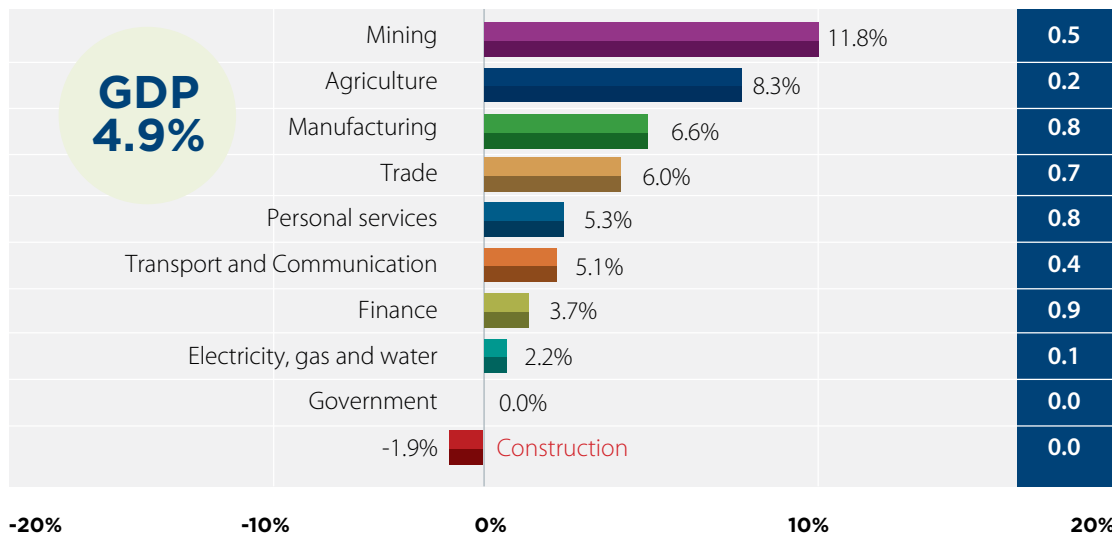


## Sector Profile *(continued)*

### 1.4 Economic performance

As a key element of the Economic Reconstruction and Recovery Plan (ERRP), the MICT sector is crucial to the economic recovery of the country. With intensifying digitalisation and datafication of the economy, the MICT sector is a core component of the digital economy. In the 2021/22 fourth quarter, the transport, storage and communication industry increased by 2.2%, contributing 0.2 of a percentage point to Gross Domestic Product (GDP). Increased economic activity was reported for land transport and transport support services. The figure is a depiction of how the MICT sector (transport, storage and communication industry) is performing against the other sectors.

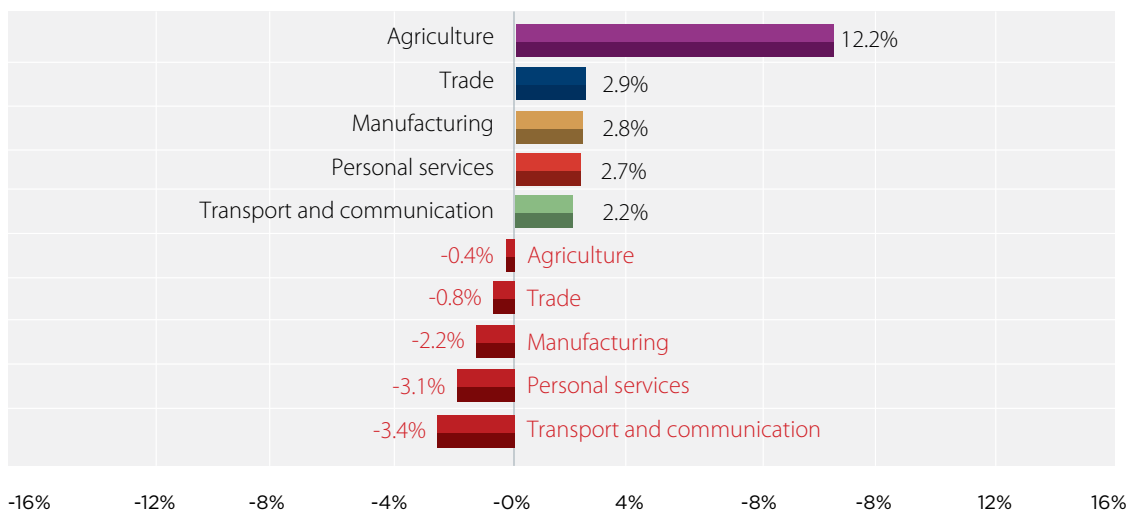
**Figure 1: Sector contribution to GDP**



Source: Gross Domestic Product (GDP), 4th Quarter 2021 (Stats)

As mentioned previously, the MICT sector is classified in the Manufacturing sector as per the SIC codes listed in table 1. Furthermore, the below shows the Transport, storage and communication sector being rated in the top five of economic sectors that recorded GDP growth. The South Africa's MICT sector is set to chart a strong recovery in 2022, but structural changes may affect growth in various sub-sectors.

**Figure 2: Top five industries that recorded GDP growth rate**



Source: Gross Domestic Product (GDP), 4th Quarter 2021 (Stats)



### 1.4.1 Advertising

In terms of the economic outlook of the advertising sub-sector, the South African internet advertising revenue is set to reach R9.4 billion by end of 2022, with search revenue making up 75% of said revenue (an increase from 66% projected in 2017).

Moreover, online advertising will surpass traditional models by 2023 the South African television landscape will still have a solid conventional focus. However, since South African markets tend to follow global patterns, online advertising will far outpace TV advertising in terms of growth. Consumers will go where the content is, media owners will look to invest in making sure that their platforms are as engaging as possible and offer a variety of strong content. Moreover, the COVID-19 pandemic has led to advertising cuts, smaller print-runs and distribution challenges. Online advertising goes mostly to tech giants such as Facebook, Google and YouTube. The future looks even tougher as internet advertising spent outside the duopoly Facebook/Google is predicted to fall by 7.2% (Rumney et al., 2020).

### 1.4.2 Film and electronic media

Research shows that South Africans have high demands, with consumers pushing for ethics and innovation. As screen time is at an all-time high, it has been observed that by the end of 2022 to 2023, there will be more South African-focused content on our screens. With regards to the box office, a recovery in attendance and rising ticket prices, along with improved offerings, will result in modest growth at a 3.5% Compound Annual Growth Rate (CAGR) through 2022. There is no doubt that South African audiences are willing to pay more to watch big-budget movies. In addition to this, consumer income in South Africa is expected to grow at a robust CAGR of 7.6% through 2022, to R135.7-billion in 2023. Digital revenue alone will add approximately R41.3-billion. Moreover, assessing the COVID-19 impact, the film industry financing has become more expensive and riskier due to increased health security and insurance costs. Small operators are increasingly finding it harder to raise capital for their productions. The unintended consequences include reduced diversity of film content, especially in South Africa where indigenous content has often struggled to attract funding for production (NFVF, 2021).

### 1.4.3 Information technology

The pandemic has given an enormous boost to digital transformation, and the IT industry supply chain issues, chip shortages, an upsurge in cybercrime, all had a major impact on South African companies and the way they work. Ratings of South Africa's IT industry compared to top global performers on network readiness to optimise the use of ICTs, ICT infrastructure investment, economic growth and digital competitiveness show that South Africa's rankings are low compared to global economies. However, they are rated highest on the African continent. It is predicted that there are more than 20 000 companies in the ICT sector that contribute about 8% to South Africa's GDP. South Africa's IT sector is generally robust, has access to the latest technologies and methodologies and underpins the operations of most other sectors of the economy. However, there is a significant shortage of specialised skills in the sector (Business wire, 2022).

### 1.4.4 Electronics

Furthermore, South Africa has a diverse electronics sector that ranges from electrical machinery, household appliances, and telecommunications equipment to consumer electronics. According to StatsSA, the country manufactures more than R90bn worth of electro technical equipment per year. South Africa has both world-class capabilities in the industrial electronics industry as well as in consumer electronics. Overall, electronics manufacturing contributes 4% to South Africa's total manufacturing output. In dollars, the South African electronics revenue is projected to reach US\$2.61bn in 2022, showing an annual growth rate (CAGR 2022-2025) of 22.33%, resulting in a projected market volume of US\$4.77bn by 2025 (MarketLine, 2022).

## Sector Profile *(continued)*

### 1.4 Economic performance *(continued)*

#### 1.4.5 Telecommunications

The South African ICT sector continues to demonstrate signs of growth, recording R243.6 billion in revenue in 2021, up from R243 billion in 2020. This represents an overall increase of 0.3% in total sector revenue, according to the 2022 State of the ICT Sector in SA report. The broadcasting services revenue increased by 2.8%, from R35 billion in 2020 to R36 billion in 2021. Postal services revenue increased by 11.1%, from R5.9 billion in 2020 to R6.6 billion in 2021. In contrast, the telecoms services, which often dominates, experienced a slight decline, the revenue decreased by 0.5%, from R201 billion in 2020 to R200 billion in 2021. However, the telecoms sector still generated more revenue than the broadcasting and postal services sectors combined. The revenue for the three sectors increased by 4.3% for a period of seven years.

#### 1.4.6 How COVID-19 has ushered in the Fourth Industrial Revolution in South Africa

The COVID-19 pandemic resulted in changes in South Africa's private sector as 4IR technologies are being implemented to varying degrees depending on the firms' capabilities. Those that could not deploy these technologies have either shut down or had to close temporarily. Although digitisation and automation already began developing during the Third Industrial Revolution, the sector is now witnessing an increasing integration of such technologies in how people should work and live.

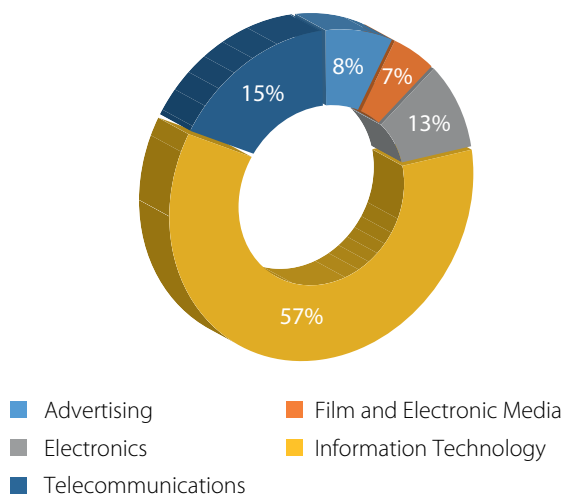
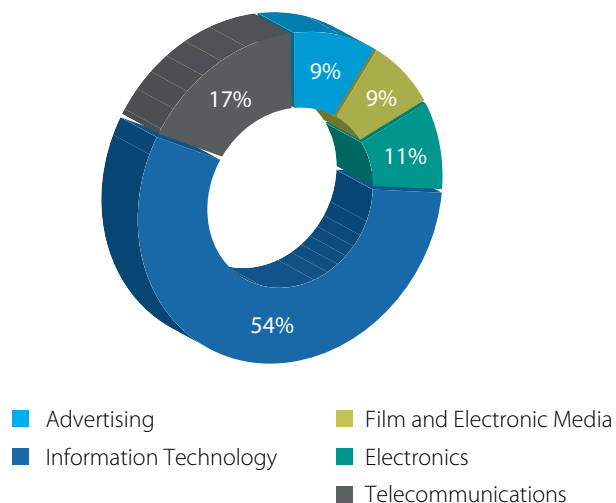
Overall, the South African government, industry and universities have weathered the storm unleashed by COVID-19. The responses to the pandemic's disruptions are just the beginning of South Africa's experience with 4IR. Yet the interventions developed by universities in collaboration with the government and industry might not be sustainable when looking at South Africa's current innovation and industrial policies. The country's research intensity (gross expenditure on R&D, as a percentage of its gross domestic product (GDP)) hovers at around 0.7 per cent. This figure is much lower compared to countries that are already successfully deploying 4IR technologies, e.g. the UAE (1.3%), Brazil (1.26%), China (2.19%), Japan (3.36%), the Republic of Korea (4.81%) and Israel (4.95%) (UNTAD, 2021).

### 1.5 Employer profile

As of 2022, the MICT Sector is made up of 32 985 employers, which are spread across five sub-sectors and represents a 7% decrease from the 35 569 in the previous financial year. From the current employer base, only 8 896 employers are paying levies and this shows a slight decline from 9 093 compared to the previous financial year.

#### 1.5.1 Sub-sector distribution

Furthermore, in terms of the data analysed, the Information Technology sub-sector is the largest sub-sector, accounting for 57% of employers. This is followed by the Telecommunications sub-sector with 15%, closely followed by the Electronics sub-sector accounting for 13%. The Advertising sub-sector has slightly declined compared to the previous financial year; it has fallen from 12% to 8%. The same applies to the Film and Electronic Media declining from 11% to 7% in the new financial year. The details of these trends will be set out later in the research. Below is a graphical illustration of this trend.

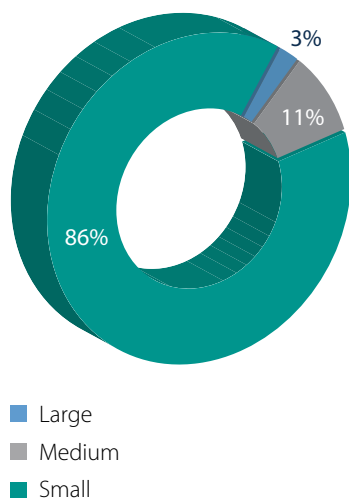
**Figure 3: Employers (levy and non-levy paying)****Figure 4: Employers (levy paying)**

Source: MICT SETA Levy Huge File, 2022

As per the illustration above, a significant number of levy payers are located within the Information Technology (67%) sub-sector, 17% in Telecommunications, 7% Electronics, 5% advertising. Lastly, the Film and Electronic Media contributes the least with only 4%.

### 1.5.2 Distribution by size

The vast majority (86%) of employers in the sector are small businesses employing below 50 employees, 11% medium and 3% are large businesses employing above 50 employees.

**Figure 5: Distribution by size**

Source: MICT SETA Levy Huge File, 2022

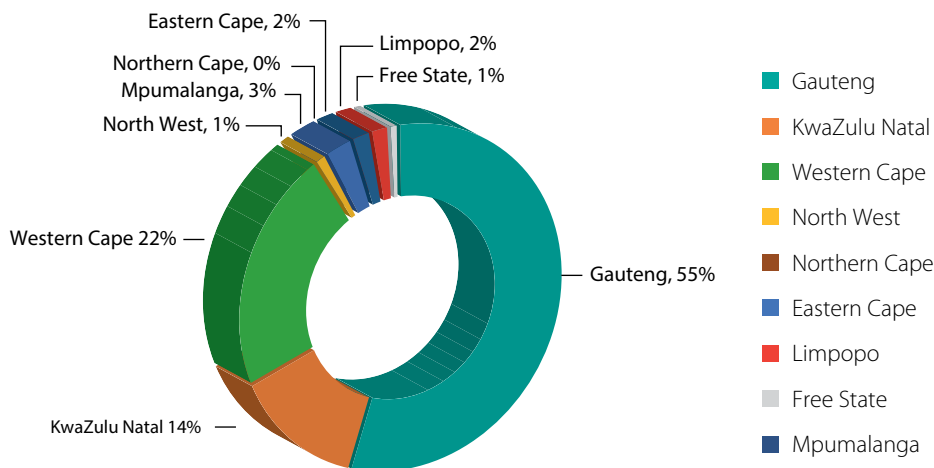
## Sector Profile *(continued)*

### 1.5 Employer profile *(continued)*

#### 1.5.3 Distribution by province

It is important to assess the distribution by province as in figure 11 below. Gauteng hosts the largest proportion of employers (55%) across the five sub-sectors followed by the Western Cape with 22%. About 14% of employers are based in KwaZulu-Natal while 3% are in Mpumalanga. Moreover, the Eastern Cape and Limpopo each account 2%, while Free State and the North-west account 1% each; with Northern Cape have a 0% presence.

**Figure 6: Employer distribution by province**

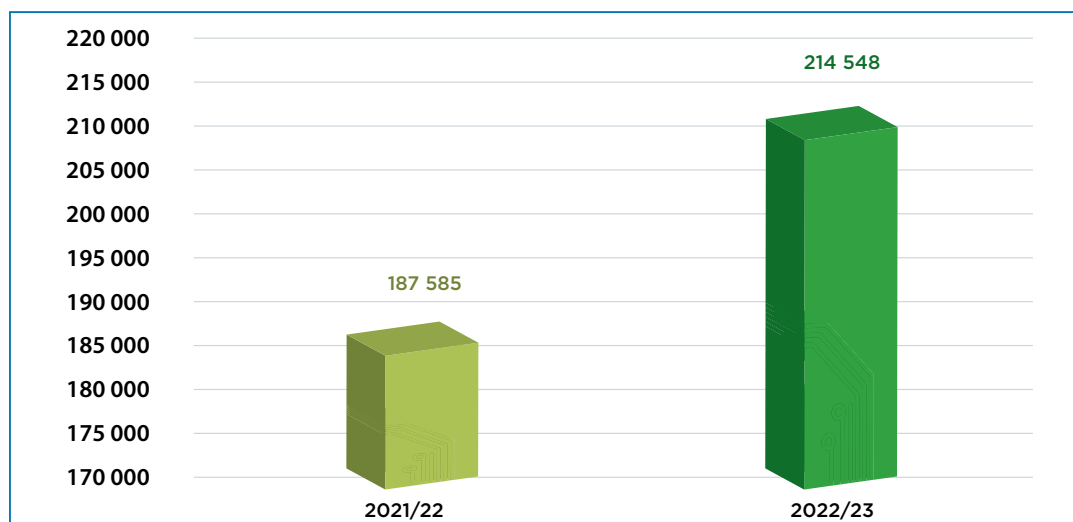


Source: MICT SETA Levy Huge File, 2022

### 1.6 Labour market profile

It is important to understand the dynamics around employment within the MICT sector. This section sheds light on the new developments in the labour market between 2020, 2021 and 2022. As shown in the figure below, the MICT sector experienced an increase in the number of employees recording 228 990 in 2022.

**Figure 7: Employment in the MICT sector**



Source: MICT SETA Levy Huge File, 2022



### 1.6.1 Sub-sector distribution of employees

The largest proportion (54%) of employees are working in the Information and Technology sub-sector, followed by 28% in the Telecommunications and 9% in the electronics sub-sector. The sub-sectors with the lowest number of employees are Film, and Electronic Media accounting for 5%, and Advertising with 4%.

**Table 4: Sub-sector distribution of employees**

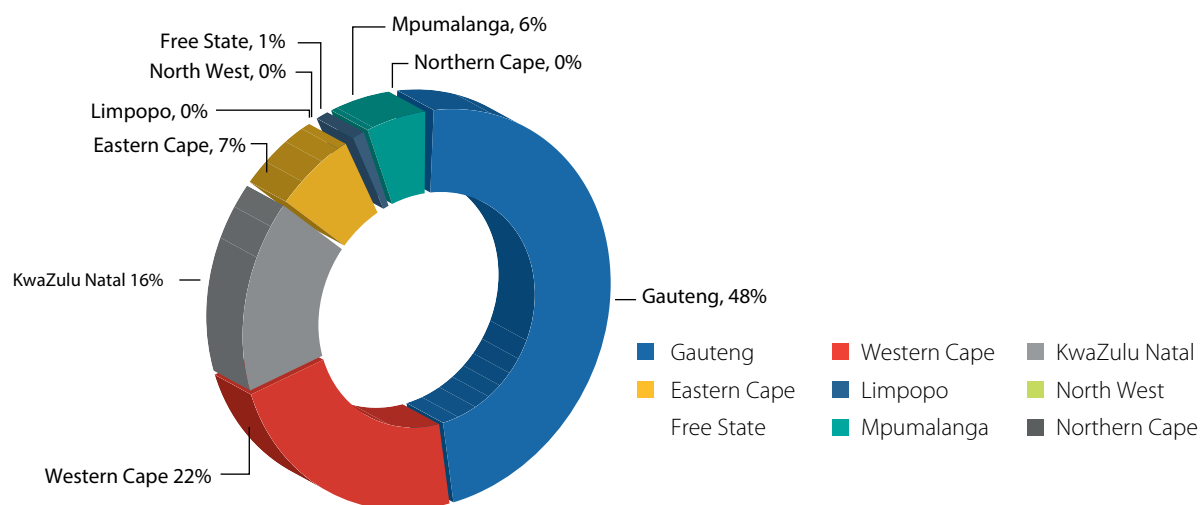
Sub-sector	Number of employees	Number of employees (%)
Advertising	8 964	4
Film and electronic media	10 968	5
Electronics	19 522	9
Information technology	115 003	54
Telecommunications	60 091	28

Source: MICT SETA Levy Huge File, 2022

### 1.6.2 Employee geographic distribution

The figure below shows the spread of all employees across the provinces. The province with the largest number of employees is Gauteng (48%), followed by the Western Cape (22%) and KwaZulu-Natal (16%). These three provinces account for the majority of employees in the sector. Moreover, Mpumalanga with (6%), the Free State accounting (1%). Provinces with least number of employees are Northern Cape, North West and Limpopo each having a (0%) representation.

**Figure 8: Provincial Distribution**



Source: MICT SETA Levy Huge File, 2022

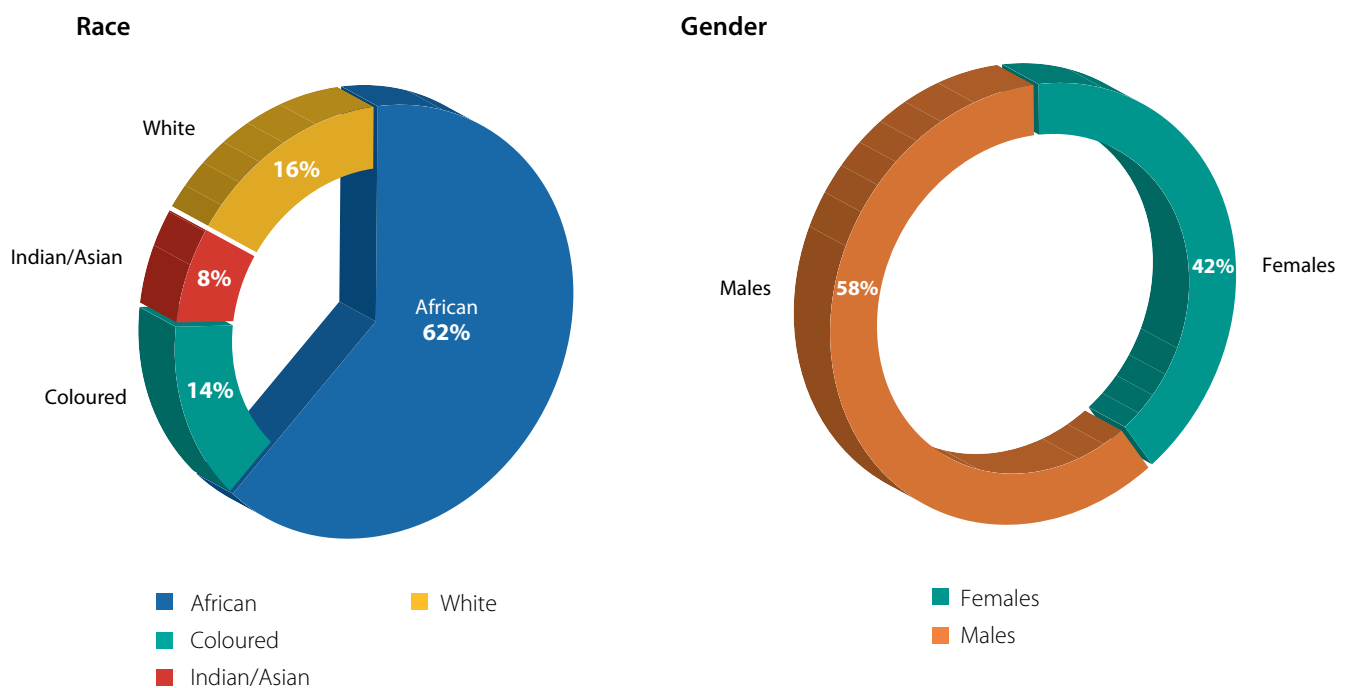
## 1.6 Labour market profile *(continued)*

## Sector Profile *(continued)*

### 1.6.3 Race and gender profiles

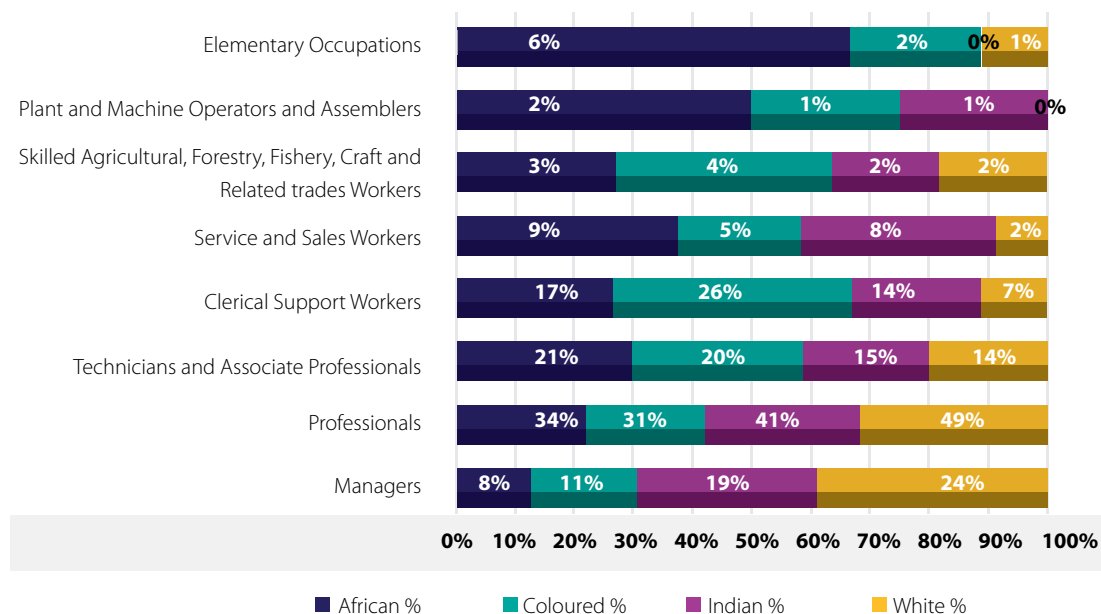
The highest proportion of people employed in the sector are African (62%), followed by White (16%). These two race categories make up just over three quarters (76%) of the total number of employees in the MICT sector. In addition, Coloured employees account for 14% and Indian/Asian employees account for 8% of employees in the sector.

**Figure 9: Race and gender profiles of employees**



Source: MICT SETA WSP/ATR, 2022

There are more male employees (58%) in the sector than females (42%). These results have remained similar over the past 3 years. While Africans make up the largest employee group by race, they still occupy relatively lower positions compared to other race groups and enjoy less representation at senior level. The figure below demonstrates that only 8% of African employees occupy managerial positions (with a 1% increase from 2021) and 34% occupy professional positions (an increase of 1 % from last year).

**Figure 10: Race profile by OFO major group**

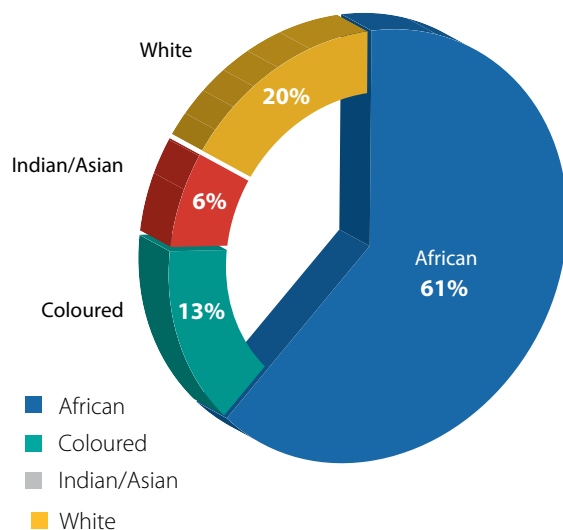
Source: MICT SETA WSP/ATR, 2022

#### 1.6.4 Disability and age profiles

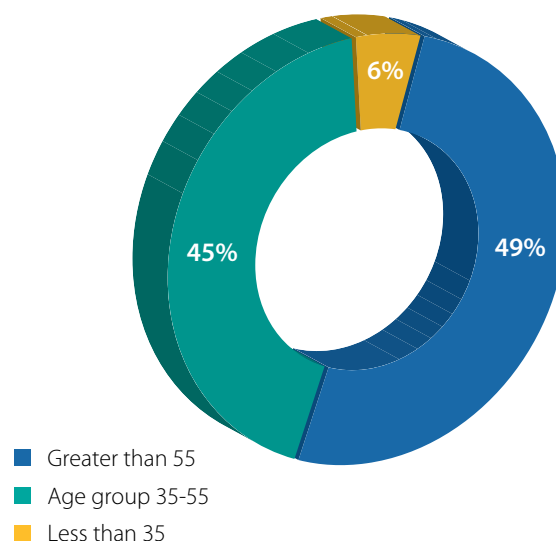
Figure 7 below shows that within the MICT sector; most of the employees with disabilities are African at 61%. This is followed by White employees (20%) and Coloured employees (13%). The Indian/Asian category only accounts for 6% of employees with disabilities within the MICT sector.

**Figure 11: Disability and age profiles of employees**

##### Employees with disabilities



##### Employees by age



Source: MICT SETA WSP/ATR, 2022

## Sector Profile *(continued)*

### 1.6 Labour market profile *(continued)*

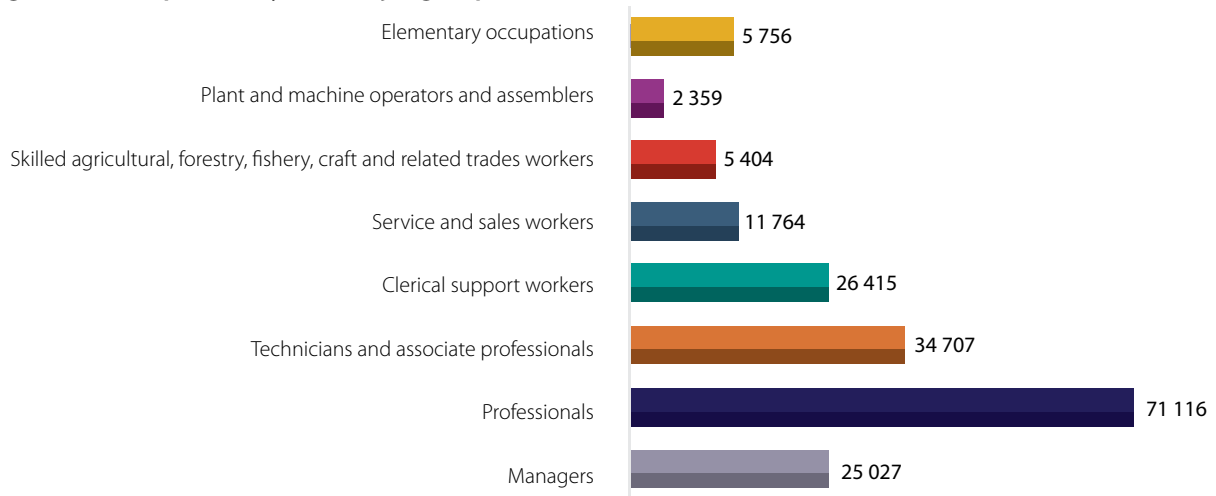
#### 1.6.4 Disability and age profiles *(continued)*

In addition, younger employees dominate employment in the MICT sector; this has been the same since 2021 with only 6% of people employed in the MICT sector are older than 55 years of age. The remaining 94% of employees are classified as follows, 45% are younger than 35 years of age, and 49% are between the ages of 35 and 55. This is a very young and balanced workforce which will contribute positively to succession planning and employment of the youth.

#### 1.6.5 Occupational segmentation

Understanding the occupational divide of employees in a sector is important specifically to determine where skills development interventions are most required. The figure below shows that Professionals are the dominant occupational category in the MICT sector. Technicians and Associate Professionals, Clerical Support Workers, and Managers follow this. Employment within Managers, Professionals, and Associate Professionals' categories typically require a degree, diploma, or NQF level 6 qualifications as an entry. As compared to other economic sectors, which employ more people in elementary occupations, this sector reflects the converse and could be attributed to the professional services orientation of offerings by employers in the sector, figure 8 below shows this breakdown:

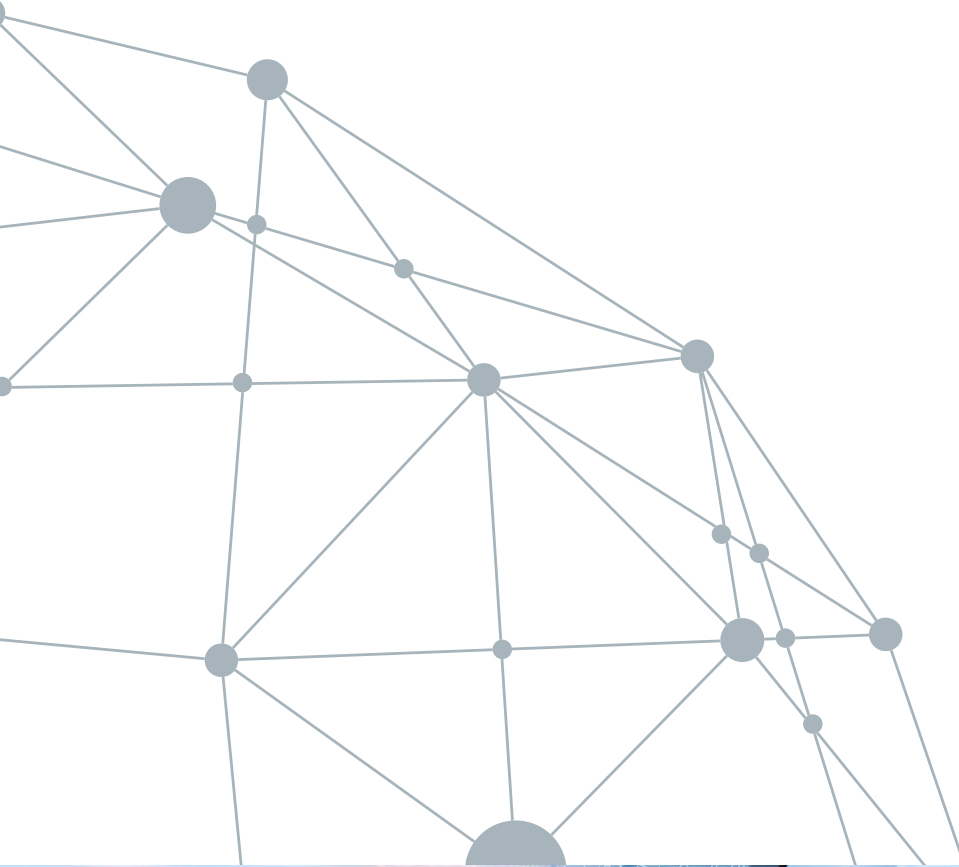
**Figure 12: Occupations by OFO major groups**



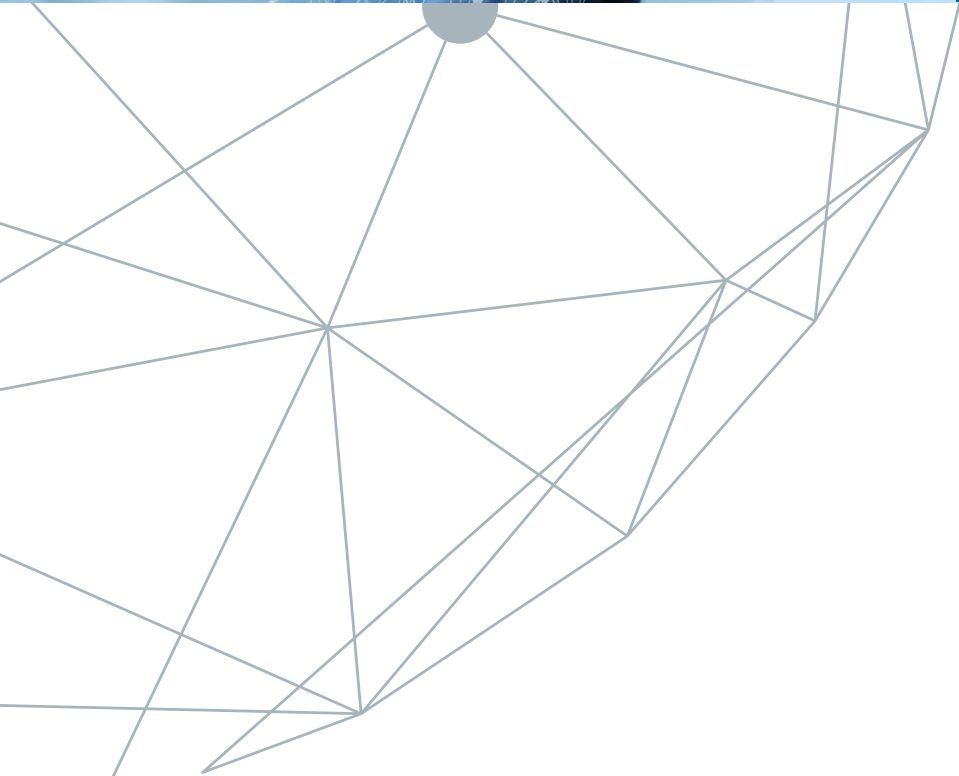
Source: MICT SETA WSP/ATR, 2022

### 1.7 Conclusion

In conclusion, this section described the sector profile of the Media, Information and Communication Technologies (MICT) sector looking at the size, scope of coverage, key role players, economic performance, employer, and labour market profile. It is clear that there is a fluctuation in the sector; the MICT SETA employer base decreased by 7% when compared to 2021 numbers. As of 2022, the MICT Sector is made up of 32 985 employers, while in the previous financial year it was 35 569. The fluctuation is also noted with the number of employers that are paying levies to the MICT SETA; as of 2022, 8 896 employers are paying levies which is a slight decline of 9 093 compared to the previous financial year. Furthermore, in the 2021/22 fourth quarter, the transport, storage and communication industry increased by 2,2%, contributing 0,2 of a percentage point to Gross Domestic Product (GDP). This is clear that although there is a fluctuation of numbers in terms of employers participating in the levy system, the MICT sector is positively growing, and it is currently featured in the top five performing industries as illustrated in figure 2 above.



## **CHAPTER 2: KEY SKILLS CHANGE DRIVERS**



# Key Skills Change Drivers

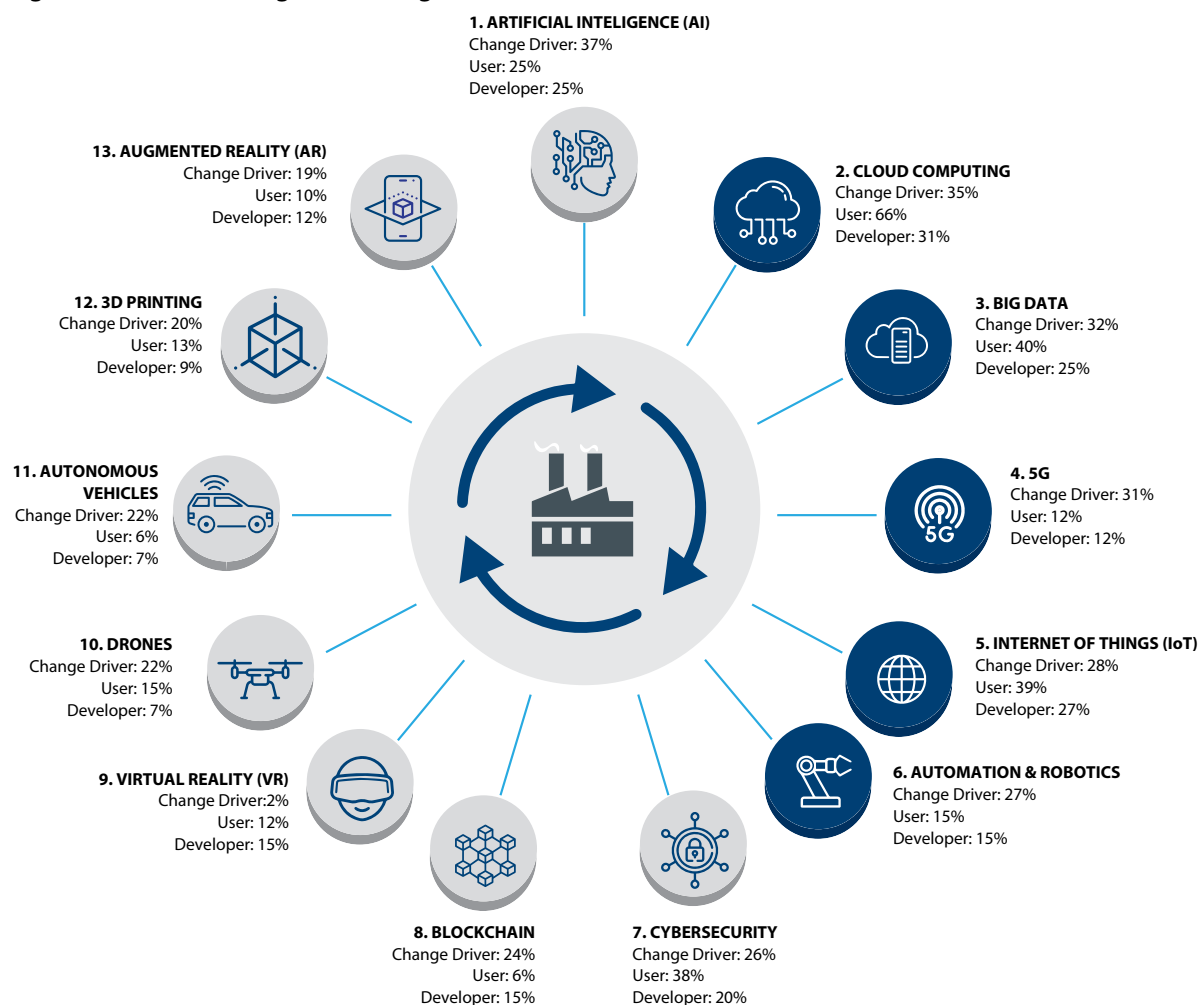
## 2.1 Introduction

This chapter examines the factors influencing the demand and supply of skills in the MICT sector. The chapter draws on a review of current literature, the employer survey, focus groups and interviews with various stakeholders across all sub-sectors within the MICT sector. The aim of this chapter is to identify the skills change drivers and national policies that may impact skills demand and supply. It identifies five change drivers, outlining how these may or are already impacting aspects of skills demand and supply in the MICT sector.

## 2.2 Factors affecting skills demand and supply

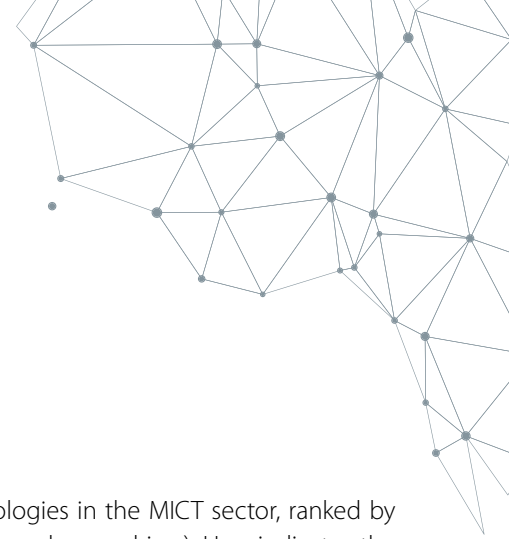
A change driver is a factor affecting change in the sector and causing it to develop in a positive or negative way. The MICT SETA has identified five change drivers linked to 4IR technologies. The introduction of 4IR technologies will alter the way communities live and work through a fusion of technologies. The COVID-19 pandemic has accelerated the use of digital technologies and has revealed the urgency with which the sector must transform with regard to both skills demand and supply. Key technologies such as 5G and Cloud Computing have become important as many South Africans are working remotely using digital platforms. With South Africa striving towards being an e-skilled economy, as outlined in the National Development Plan Vision 2030, key change drivers that affect the MICT sector and socio-economic systems are identified here.

**Figure 13: 4IR Technologies as Change Drivers**



Source: MICT SETA SSP Survey, 2020





The diagram above demonstrates the presence and influence of 4IR technologies in the MICT sector, ranked by Change Driver (the percentage of stakeholders who view the technology as a change driver). User indicates the percentage of stakeholders who use the 4IR technology in operations and Developer indicates the percentage of stakeholders who develop products in the 4IR technology. Circled in red in the diagram are the five 4IR technologies which ranked highest for driving change in the sector: Artificial Intelligence, Cloud Computing, Big Data, 5G and the Internet of Things. These are discussed below.

## 2.2.1 4IR technologies as change drivers

### 2.2.1.1 Artificial intelligence

Artificial Intelligence (AI) has been identified as a key change driver in the MICT sector. It refers to the simulation of human intelligence in machines that are programmed to think like humans and mimic their actions. The term may also be applied to any machine that exhibits traits associated with a human mind such as learning and problem-solving. The ideal characteristic of AI is its ability to rationalise and take actions that have the best chance of achieving a specific goal (Investopedia, Artificial Intelligence (AI), 2020). Nearly half (46%) of South African companies are actively piloting AI within their organisations. Businesses are experimenting with a range of different technologies, including Chatbots, Robotic Process Automation and Advanced Analytics. AI technologies most useful to 67% of South African organisations include machine learning, smart robotics and biometrics (BusinessTech, 2019). The level of skill required by AI is advanced and needs to be financially and technically supported by the industry and government. Other examples of AI relevant to the MICT sector include virtual agents such as chatbots and recommendation systems. Ultimately, South Africa still lags behind in terms of improving the quality of education, research, innovation and infrastructure required to create an enabling environment for AI adoption (Accenture South Africa, 2017).

### 2.2.1.2 Cloud computing

Cloud Computing has emerged as a key driver of digital transformation in South Africa. It is described as the delivery of different services through the Internet. These services include tools and applications such as data storage, servers, databases, networking, and software (Investopedia, Cloud Computing, 2019). It is a disruptive delivery model of Information Technology (IT) services which is based on a business model that is flexible and on-demand. South African organisations are consuming significant amounts of cloud services including software as a service, platform as a service, and infrastructure as a service (Gartner, 2019).

The rise of cloud computing puts pressure on skills development, more so now during the COVID-19 pandemic, as more companies are becoming dependent on cloud computing services. Individuals with the skills to design and deploy such technology are in high demand and often poached not only in South Africa, but by global companies. A study by the International Data Corporation (IDC) revealed that more than 90% of South African organisations are either already engaged in developing these skills or in the process of planning for the development of such skills (Nebula, 2018).

## Key Skills Change Drivers *(continued)*

### 2.2 Factors affecting skills demand and supply *(continued)*

#### 2.2.1 4IR technologies as change drivers *(continued)*

##### 2.2.1.3 Big data analytics

Big data, another 4IR change driver identified in the MICT sector, refers to the large, diverse sets of information that grow at ever-increasing rates. It encompasses the volume of information, the velocity or speed at which it is created and collected, and the variety or scope of the data points being covered. Big data often comes from multiple sources and arrives in a variety of formats (Investopedia, 2019). Properly managing 'Big data' is now an important assignment for many organisations, especially with the rapid uptake of 4IR technologies. However, many organisations are still unaware of the opportunities and insights that big data holds for them.

Big data has grown by more than 50% since 2010, which has in turn enabled AI uptake (Accenture, 2018). In South Africa, many organisations have now realised the potential of 'Big Data and Analytics' however, limited IT budgets and the dearth of skilled resources impede its adoption. Furthermore, organisations are now developing skills internally by sharing resources, undertaking training programmes, and partnering with vendors. This plays a crucial role for organisations to establish a data-driven culture and encourage knowledge sharing to develop internal capabilities (IDC, 2017). The demand for highly qualified big data analysts and artificial intelligence professionals is outperforming supply to the point where it can take many months to fill vacancies (IOL, 2017). This is due to big data analytics being a relatively new field, and the existing workforce having to retrain in work with large, sophisticated datasets. Larger companies swiftly recruit new graduates, thus making it difficult for smaller MICT companies to keep up with the changing labour market.

##### 2.2.1.4 5G

The fifth-generation wireless technology ("5G") has been identified as a key driver of network transformation in South Africa. It has been associated with the need for a greater and wider adoption of emerging technologies. This technology is expected to be more effective, more efficient and as much as 100 times faster than its predecessor, 4G (Corfe, 2018). As capacity demands driven by growing internet data traffic increases – further emphasised by the current world of remote work during the COVID-19 pandemic – 5G will significantly speed up data communication (Statista, 2020). 5G will also advance machine-based, IoT-centric functionalities in, for example, automotive for autonomous and self-driving cars. While 5G is going to be a big enabler for economies and will drive efficiency for many complex operations, much needs to be done right before 5G can be rolled out (Connecting Africa, 2020). Governments need to find ways to mitigate the risk of being left behind as technology sweeps the rest of the world into 5G and beyond. Companies currently struggle to attract and retain staff with scarce skills in hard-to-fill occupations (i.e. computer network and systems engineers, cybersecurity specialists, and those with cloud computing skills), and 5G will make this task even more difficult.



#### 2.2.1.6 Internet of Things (IoT)

The Internet of Things (IoT) is another 4IR change driver identified in the MICT sector. It refers to a network comprised of physical objects capable of gathering and sharing electronic information. IoT includes a wide variety of 'smart' devices, from industrial machines that transmit data about a production process to sensors that track information about the human body (Investopedia, The Internet of Things (IoT), 2020). IoT allows for remote management or monitoring of connected devices. This information can then be supplied to an AI platform, which may be tasked with responding appropriately based on data received. IoT will continue to grow as cloud computing and cloud app offerings expand in the coming years. IoT thus links virtually all of 4IR change drivers, further expanding the impact of 4IR. There is limited recognition of emerging 4IR occupations in the OFO, thus limiting funding and formalised training opportunities in 'new-age' fields such as IoT. In consultations, stakeholders expressed a need for more 'IoT specialists'. However, currently no such occupation exists in the strictest sense, instead IoT specialists may emerge as specialisations of existing fields such as software development and design.

### 2.3 Skills implications of change drivers

Change drivers affect how businesses operate and survive into the future. Thus, new ways of doing things, including skills training, are required to exploit new opportunities in the markets that emerge as a result of 4IR. Furthermore, the COVID-19 pandemic has spurred on the uptake of 4IR technologies and the relevant skills that are required to enable it. The above-mentioned change drivers call for the continued development of technologies and skills. While it may be true that 4IR could invalidate jobs that place emphasis on routine or menial tasks, it also presents an opportunity for the creation and/or advancement of jobs. To this effect, South African organisations are increasingly investing in 4IR technologies. However, the funding, of formalised training and overall development of emerging occupations is hampered by limited recognition of emerging 4IR occupations in the OFO such as an IoT specialist within the IoT realm, cloud architect for cloud computing and AI specialist within artificial intelligence. To this effect, the SETA is actively engaged with stakeholders such as the QCTO, training providers, and industry in the development of new qualifications and improvement of existing qualifications to meet 4IR demands.

#### Future convergence technologies

It is vital to provide a forecast of technological changes that will impact on the future and assist in mapping the type of workforce we will need. It is reported that by 2030, ten powerful converging technologies will entirely transform how people think, work and live. These technologies will have an impact on the type of skills the SETA, companies, and training providers are able to invest in and develop. It will also have an impact on qualification development, creating an environment and space where both long-term degree qualifications and skills programmes are relevant and needed by the sector. These converging technologies are listed below:

## Key Skills Change Drivers *(continued)*

### 2.3 Skills implications of change drivers *(continued)*

#### 2.2.1 4IR technologies as change drivers *(continued)*

##### Future convergence technologies *(continued)*

**Table 5: Converging technologies**

1.	<b>Artificial intelligence (AI)</b> – software algorithms that automate complex decision-making tasks to mimic human thought processes and senses. This will exponentially speed up every aspect of human and machine interaction.
2.	<b>Augmented Reality (AR)</b> – is a visual or audio overlay on the physical world that uses contextualised digital information to augment the user's real-world view.
3.	<b>Virtual Reality (VR)</b> – an interface in which viewers can use special equipment to interact with a three-dimensional computer-generated simulation in realistic ways. This will transform learning and education, entertainment, medicine and more.
4.	<b>3D Printing</b> – a machine that creates three-dimensional objects based on digital models by layering or “printing” successive layers of materials. This technology will be used to design everything from homes, replacement body parts etc.
5.	<b>Internet of Things (IoT)</b> – a network of physical objects embedded with sensors, software, network connectivity and computing capability, and are able to collect, exchange and act on data. This will minimise and simplify everyday decision making.
6.	<b>Robotics</b> – the use of machines with enhanced sensing, control and intelligence to automate, augment or assist human activities. This will decrease physical, manual and basic cognitive skill jobs and transform multiple industries.
7.	<b>Quantum Computing</b> – a new generation of technology with a type of computer 158 million times faster than the most sophisticated supercomputer. This computer will do in four minutes what it would take a traditional supercomputer 10 000 years to accomplish.
8.	<b>Gene Editing</b> – a group of technologies that give scientists the ability to change an organism's DNA by allowing genetic material to be added, removed, or altered at particular locations in the genome. This is expected to extend human life span and improve health and quality of life.
9.	<b>Materials Science</b> – the discovery and development of new materials accelerated by the Materials Genome Initiative. It allows scientists to create new elements and better products, transforming many aspects of everyday life.
10.	<b>Blockchain Technology</b> – a distributed digital ledger that uses software algorithms to record and confirm transactions with reliability and anonymity. It creates the infrastructure for web3 and transforms the internet, returning power and ownership to individuals.



## 2.4 Policy frameworks affecting skills demand and supply

South Africa's development trajectory is underpinned by the National Development Plan (NDP), which challenges the country to achieve sustained levels of economic growth through to 2030. The MICT sector is an integral part of South African society and is impacted by various policy interventions, some of which are outlined in the table below.

**Table 6: MICT sector policy interventions**

Planning priority	Skills implications	Measures to support national strategies and plans
<b>National Development Plan (NDP)</b>	<p>The NDP Vision 2030 (November 2011) identifies as one of its core priorities, reducing unemployment to 6% by 2030. Other objectives include eradicating poverty and reducing inequality. In meeting the objectives of the plan, the following are identified:</p> <ul style="list-style-type: none"> <li>• A larger, more effective innovation system closely aligned with firms that operate in sectors consistent with the growth strategy;</li> <li>• Support for small businesses through better coordination of relevant agencies, development of finance institutions, and public and private incubators;</li> <li>• An expanded skills base through better education and vocational training; and</li> <li>• Identify business incubation for SMEs generally and the expansion of business services in particular as priority actions for growth and development.</li> </ul>	<p>The MICT SETA will contribute towards the National System of Innovation and will thus play a role in supporting its effectiveness and efficiency. Additionally, the SETAs strategic plan emphasises provision of financial and non-financial support to SMMEs, NGOs, NLPes, CBOs. Partnerships with stakeholders like SEDA to encourage incubation would play a key role in achieving sustainability and growth of small businesses in the sector.</p>

## Key Skills Change Drivers *(continued)*

### 2.4 Policy frameworks affecting skills demand and supply *(continued)*

Planning priority	Skills implications	Measures to support national strategies and plans
<b>Medium Term Strategic Framework (MTSF) 2019–2024</b>	<p>The outcomes for 2019–2024 are published as annexures to the MTSF: It is premised on achieving five outputs leading to the achievement of 'Outcome 5: A Skilled and Capable Workforce to Support an Inclusive Growth Path'. This is part of a comprehensive plan for implementing the NDP.</p>	<p>The MICT SETA is committed to implementing the four sub-outcomes through strategic partnerships. These outcomes are:</p> <ul style="list-style-type: none"> <li>• A credible institutional mechanism for labour market and skills planning;</li> <li>• Increase access and success in programmes leading to intermediate and high-level learning;</li> <li>• Increase access and efficiency of high-level occupationally directed programmes in needed areas; and</li> <li>• Increase access to occupationally directed programmes in needed areas and thereby expand the availability of intermediate level skills with a special focus on artisan skills.</li> </ul>
<b>White Paper on Post Schooling Education and Training (WP-PSET)</b>	<p>The White Paper envisages an expanded, effective, and integrated post-school system in South Africa. It is premised on achieving:</p> <ul style="list-style-type: none"> <li>• Expanded access to TVET and University education;</li> <li>• Establishment of community colleges and skills centres, to mainstream vocational education and training;</li> <li>• Establishment of a national skills planning mechanism within DHET;</li> <li>• A strengthened NSA to perform a Monitoring and Evaluation role in the skills system; and</li> <li>• Opening up workplaces to give more youth access to work integrated learning opportunities.</li> </ul> <p>The White Paper calls for a restructuring of the skills system and an efficient skills development system where strategic plans form the foundation of the service level agreements that SETAs sign with DHET.</p>	<p>The MICT SETA will ensure expanded access to TVET and University education through bursaries. This will directly contribute to the premises of the White Paper to expand access to TVET and University education.</p>





Planning priority	Skills implications	Measures to support national strategies and plans
<b>National Skills Development Plan (NSDP)</b>	The NSDP is informed by and consolidates the NDP, NGP, WP-PSET and IPAP. It seeks to 'improve access to occupations in high demand and priority skills aligned to supporting economic growth, employment creation and social development while also seeking to address systemic considerations' (DHET, 2019). A call for increased emphasis on improving 'both basic skills and technical skills, with a specific focus on 'historically disadvantaged individuals' is made and eight outcomes are presented to this effect.	In addressing the NSDP and new SETA landscape, MICT SETA has incorporated and aligned the outcomes into its Recommended Priority Actions, thus ensuring continued relevance and responsiveness to key issues. Specifically, the MICT SETA responds to the NSDP outcomes by determining and addressing occupations in high demand, strengthening TVETs, CETs and work integrated learning (WIL), increasing the number of workers trained and supported and supporting SMMEs, Cooperatives and rural learners.
<b>New Growth Path (NGP)</b>	One of the NGP focus areas centres on meeting the shortages in important skills for the economy and sets targets for: <ul style="list-style-type: none"> <li>• The training of engineers underpinned by improved science and mathematics education and expanded bridging programmes for HE courses;</li> <li>• Improved skills for workers through the provision of certificated programmes facilitated, financed and managed by SETAs; and</li> <li>• A TVET college system that produces higher graduation rates, and provision of ICT skills in schooling, adult education and public service.</li> </ul>	The MICT SETA, in line with the NGP, places emphasis on the development of ICT skills, as well as the increased supply of highly skilled labour in the economy.
<b>Industrial Policy Action Plan (IPAP)</b>	The IPAP has identified priority sectors which it aims to support for development in the country. Projects such as a South African garment-sizing database using three-dimensional (3-D) body-scanner technology, and computer-aided design using 3-D scanner data were highlighted.	As stakeholders in the sector start to engage in these programmes, the MICT SETA fulfil its role as a skills development partner, ensuring that the requisite skills are being developed.

## Key Skills Change Drivers *(continued)*

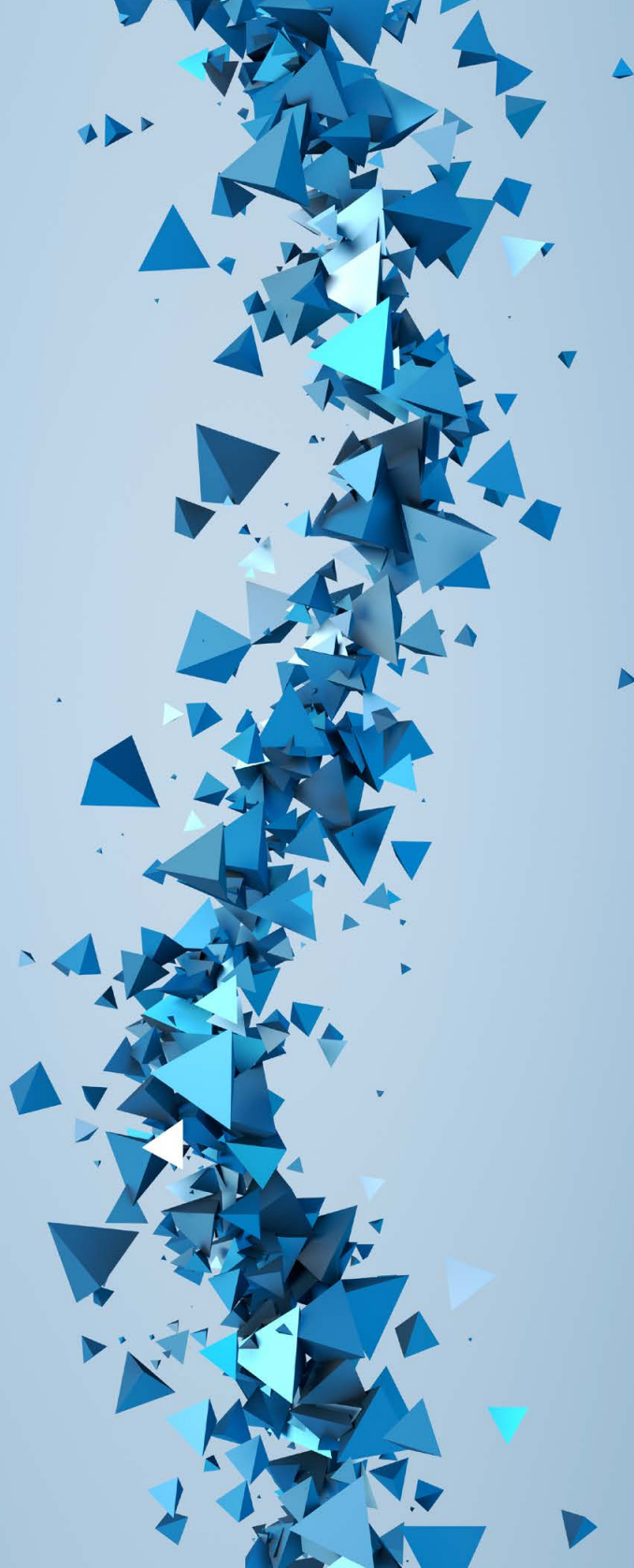
### 2.4 Policy frameworks affecting skills demand and supply *(continued)*

Planning priority	Skills implications	Measures to support national strategies and plans
<b>National Integrated ICT Policy White Paper</b>	The National Integrated ICT Policy White Paper replaces all the previous white papers on telecommunication (1996) and postal services (1998). The policy outlines the plan for the rollout of broadband services across the country and directs the allocation of spectrum to all licensed operators, new entrants and SMMEs. The White Paper also covers interventions to boost the manufacturing and software development sectors, particularly through advancing affordable devices and innovative services and applications relevant to the South African context. The direct link with the MICT sector include: Facilitate upgrade of manufacturing facilities and capabilities for domestic production and growth of exports; Commercialisation of technologies, and Skills development for business process outsourcing sector.	The MICT SETA seeks to support this planning priority through managing supply-side issues and infrastructure roll-out, including supporting work done in scarce resources such as spectrum and interventions to facilitate open access and rapid deployment of infrastructure. The SETA commits itself to facilitating multi-stakeholder participation in the drive for an inclusive digital economy.
<b>Economic Reconstruction and Recovery Plan and Skills Strategy</b>	The main skills problems outlined in the Economic Reconstruction and Recovery Plan (ERRP) are a skills mismatch in the South African labour market; the increase in the use of technology which will result in many semi-skilled and unskilled people being left behind. There is thus a need to build a skills base for the economy, industries and jobs of the future. The skills strategy was developed because of the urgency for a well-coordinated strategy of skills development to support both the management of COVID-19 pandemic and the economic and social recovery. Short-term in nature, the strategy is designed to ensure that the skills system is strengthened with its implementation. It also aims to enable the immediate rollout of skills development interventions to ensure that the ERRP is supported. The strategy will focus on interventions that allow for large numbers of youth to access opportunities in the short-term. The strategy contains ten interventions to drive the effective implementation of the ERRP. The SETAs, including the MICT SETA, finds expression in six of the interventions.	The MICT SETA aims to support each of the six interventions which include: <ul style="list-style-type: none"> <li>• <b>Intervention one:</b> Embedding skills planning into sectoral processes.</li> <li>• <b>Intervention three:</b> Increased access to programmes resulting in qualifications in priority sectors;</li> <li>• <b>Intervention four:</b> Access to targeted skills programmes;</li> <li>• <b>Intervention six:</b> Supporting entrepreneurship and innovation;</li> <li>• <b>Intervention seven:</b> Retraining/up-skilling of employees to preserve jobs; and</li> <li>• <b>Intervention ten:</b> Strengthening the post-school education and training system by ensuring that these interventions find expression in the SETAs Key Skills Priority Actions as well as its Strategic Plan and Annual Performance Plan targets.</li> </ul>



## 2.5 Conclusion

South Africa's response to the COVID-19 pandemic has, for the most part, been quite effective but is not yet in a position to deploy the entire range of currently available 4IR technologies to assuage the pandemic's large-scale disruptions and improve its efficiency. The Presidential Commission on 4IR is causing a ripple effect in the way businesses and the industry operates. South Africa is set to follow a highly skilled intelligence and digital path. The change drivers in the sector suggest an opportunity for ever-increasing access in the intelligence and digital spectrum, and access that needs to be maintained and secured. There is a need to look into the future and forecasting of future skills needs in preparation for the future emerging technologies as forecast. Therefore, skills development must follow the path with specialised skills to set up and maintain new and future technologies. However, this must be balanced with also catering for lower-end skills. Ensuring inclusive digital revolution means paying attention to those still becoming digitally literate. This will also allow the SETA to create a qualification mix that caters for all levels of employees in the sector.



## **CHAPTER 3: OCCUPATIONAL SHORTAGES AND SKILLS GAPS**



## Occupational Shortages and Skills Gaps

### 3.1 Introduction

The previous chapter examined the factors influencing the demand and supply of skills in the MICT Sector. There is no doubt that the MICT sector is evolving, the sector is changing as a result of the digital transformation, globalisation and demographic changes, but coming up as the biggest factor is the 4IR which aligns to digital transformation. Reflecting on the previous research around this chapter, it was noticed that the misalignment between the supply and demand for skills is inevitable, particularly in the short run and in the context of dynamic transformation. This chapter will explore the extent and nature of demand for skilled labour in the MICT Sector, and will assess the type and extent of training available to the Sector. To compile the Sectoral Priority Occupations list and occupational shortages, an analysis of WSP submissions by employers was conducted. While few limitations to the WSPs were realised, including the vagueness in descriptions of occupations, key informant interviews were conducted with key stakeholders in the industry to complement the WSP information, whereby respondents were asked to identify priority hard to fill vacancies (HTFVs), skills gaps and change drivers in the Sector. To further validate the collected information, a continuous process of data collection did take place, where information was validated through online surveys and focus groups. The research was thus triangulated across various sources to provide complete and valid picture of skills demand and supply in the Sector.

### 3.2 Sectoral occupational demand

#### 3.2.1 Advertising sub-sector occupations with hard to fill vacancies

Using the OFO, the table below provides the top occupations with vacancies that are hard to fill in the advertising sub-sector. These five vacancies have been identified by stakeholders and include multimedia specialist, digital artist, marketing practitioner, multimedia designer and advertising specialist.

**Table 7: Advertising hard to fill vacancies**

OFO code	Occupation	Reason	Quantity needed in sub-sector
2021-251301	Multimedia specialist	Lack of skilled people	324
2019-216601	Digital artist	Equity consideration	320
2021-243103	Marketing practitioner	Not enough opportunities for workplace placement	112
2021-216603	Multimedia designer	Lack of skilled people	40
2021-243101	Advertising specialist	Lack of skilled people	232

Stakeholders in the advertising sub-sector noted that multimedia specialist was the most difficult occupation for which to find suitably qualified people. The majority of stakeholders in the sector indicated that 'lack of skilled people' was the main reason for these vacancies being hard to fill, with particular reference to niche skills such as digital marketing and social media management. Due to increased digitisation in the sub-sector, stakeholders attributed the lack of relevantly skilled candidates to the lag in digital skills training. Candidates are required to possess digital marketing skills to complement their traditional marketing expertise. Digital marketers and social media influencers are examples of emerging occupations spurred on by increased consumer of online presence caused by the COVID-19 pandemic since 2020. Advertising specialist has also been identified as one of the most in demand skill in South Africa, especially with the key role they play in tracking and assessing data, results analytics to improve and optimise marketing goals. This is important especially since conversions are across all digital media.

## Occupational Shortages and Skills Gaps *(continued)*

### 3.2 Sectoral occupational demand *(continued)*

#### 3.2.1 Advertising sub-sector occupations with hard to fill vacancies *(continued)*

Furthermore it was also suggested that while there may be shortages in the formal sector, the informal sector – comprising of freelancers – creates a challenge as these trends are somehow not captured in modern research if they are not in the employ or ownership of a company. Another aspect of this is that it impacts the levy system, since freelancers are not directly linked to any company within the skills system.

#### 3.2.2 Film and electronic media sub-sector occupations with hard to fill vacancies

Table 8 presents the top five hard to fill occupations of the film and electronic media sub-sector, by OFO code, which include media producer, multimedia specialist, sound technician, director (film, television, radio or stage) and film and video editor.

**Table 8: Film and electronic media hard to fill vacancies**

OFO code	Occupation	Reason	Quantity needed in sub-sector
2021-265412	Media producer	Lack of skilled people	100
2021-251301	Multimedia specialist	Lack of skilled people	96
2021-352103	Sound technician	Equity consideration	96
2021-265401	Director (film, television, radio or stage)	Lack of skilled people	40
2021-265403	Film and video editor	Lack of skilled people	20

The areas of scarcity for most of the film and electronic media occupations exist primarily in technical roles specific to the sub-sector and less on generic skills. Most of the shortages are due to a lack of skilled people in the sub-sector, with the sound technician roles evolving to the more specialist roles, most of the stakeholders indicated that there is now a high demand of sound engineers/specialists. This is mainly due to the significant role they play in operating audio equipment to record, enhance, mix and amplify sound in support of television, radio, film and video productions, or stage performances. To illustrate how much the practical application of roles have evolved, location scouts need someone to collect and mix samples of sound in motion picture production and be able to know how to work with voice and silence. While there may be plenty of sound technicians in the sub-sector, few possess the specialist skills as described above. There is an issue of equity, with black sound specialists being scarce in the field. Furthermore, for the past five years it has been observed that location has a bearing on occupational shortages. Economic hubs such as Gauteng and the Western Cape tend to have different hard to fill vacancies to less economically active areas, especially rural areas, due to rural-urban migration.

#### 3.2.3 Electronics, Information Technology and Telecommunications (ICT) sub-sectors occupations with hard to fill vacancies

There are similarities between the electronics, telecommunications and information technology sub-sectors. Consequently, these sub-sectors are addressed as one ICT sub-sector due to the overlapping nature of their occupational demands. To accommodate this amalgamation and the larger size of the ICT sub-sector, provision is made for 10 hard to fill vacancies instead of five. Table 9 below lists the top 10 hard to fill vacancies within the ICT sub-sector over the next year.



**Table 9: ICT occupations with hard to fill vacancies**

OFO code	Occupation	Reason	Quantity needed in sub-sector
<b>2021-251201</b>	Software developer	Lack of skilled people	1 435
<b>2021-252301</b>	Computer network and systems engineer	Lack of skilled people	1 070
<b>2021-251101</b>	ICT systems analyst	Lack of skilled people	1 036
<b>2021-252901</b>	ICT security specialist	Lack of skilled people	270
<b>2021-251203</b>	Developer programmer	Lack of skilled people	252
<b>2021-672205</b>	Telecommunications technician	Lack of skilled people	220
<b>2021-215301</b>	Telecommunications engineer	Lack of skilled people	168
<b>2021-215201</b>	Electronics engineer	Lack of skilled people	156
<b>2021-311401</b>	Electronic engineering technician	Lack of skilled people	100
<b>2021-243403</b>	ICT sales representative	Lack of skilled people	115

It has been noted that a high rate of unemployment in this sub-sector are due to the labour market imbalances caused by structural problems that have been aggravated by the economic crisis. Big employers are often at an advantage to poach sought-after skills since from small companies or SMMEs who struggle to keep their skills base. Moreover demographic developments such as ageing and migration also affects the structure of the labour force within the sector. From the labour force profile presented in chapter 1, it is clear that the sector has a relatively young workforce. It has been noted by stakeholders that Software Developer, Developer Programmer and ICT Systems Analyst are some of the top 10 occupations which continue to be hard to fill within the sub-sectors. While Software Developer and Developer Programmer seem to be similar, Software Developers are more involved with and have a greater understanding of the full project scope. Developer Programmers have a more specialised role than developers. Through engagements with stakeholders, the 4IR as a factor has forced many companies to seek skilled people in these top programming languages such as Python, C and C++. On the other hand, there has been a decline in demand for people to maintain legacy systems (such as COBOL developers).

From the onset of the COVID-19 pandemic in South Africa, many South African organisations have developed remote working policies to accommodate the new norm, thus Cloud Computing specialists are in demand. Another emerging occupation is the Cloud Architect, an occupation that has increased in demand even more during the pandemic. In addition, with the rise in e-learning during the pandemic, occupations such as Software Developer and Developer Programmer are required to develop and maintain such platforms.

The telecommunications sub-sector, which includes both the retail side and the technical side, network specific professionals, such as telecommunications technician and computer network and systems engineer, continued to be in demand. However, pointing to a limitation of the OFO, stakeholders highlighted that occupations such as telecommunications engineers are broadly defined and do not recognise emerging specialities.

Electronics Engineers and Electronic Engineering Technicians are occupations which have emerged as being hard to fill in the Electronics sub-sector. The sub-sector has also experienced increased demand for ICT Sales Representatives.

## Occupational Shortages and Skills Gaps *(continued)*

### 3.3 Skills gaps

The MICT sector operates in an ever-changing environment where new trends are emerging consistently and rapidly. There is a mismatch of skills between those employers rely upon in their employees, and the skills that job seekers possess. This has been evident in the MICT sector as this mismatch makes it difficult for individuals to find jobs and for employers to find appropriately trained and suitable employees. Those that are already in employment are faced with the pressure of having to constantly upgrade their skills to keep abreast of the latest technological developments (e.g. certified skills affecting IT Security Specialists and Computer Network and Systems Engineers). This is ever more prevalent with the emerging 4IR. Another reason for skills gaps is that as people skilled in technologies move on or retire, there is still a need for maintenance of old technologies. That means gaps exist for old technologies (where new entrants lack such skills) as well as for all the new technologies being rapidly introduced. The broad categories of critical skills gaps – that exist among employees working across the five sub-sectors of the MICT – are management and leadership skills, customer service skills and technical skills. These are further outlined in the table below by occupation (with OFO codes) and OFO Major Group.

**Table 10: Skills gaps and the top occupations that they apply to<sup>1</sup>**

Skills gap	Lower-level (plant operators and elementary)	Midlevel (technicians, associates, artisans and clerical)	Senior (managers and professionals)
<b>Business etiquette</b>	<ul style="list-style-type: none"> <li>2021-862918 Electrical or telecommunications Trades Assistant</li> <li>2021-811201 Commercial Cleaner</li> </ul>	<ul style="list-style-type: none"> <li>2021-351201 ICT Communications Assistant</li> </ul>	<ul style="list-style-type: none"> <li>2021-243403 ICT Sales Representative</li> </ul>
<b>Certified skills (CompTIA A+, Network+, MCSA, MCSE, Azure, CISCO, etc.)</b>	N/A	<ul style="list-style-type: none"> <li>2021-351301 Computer Network Technician</li> <li>2021-672205 Telecommunications Technician</li> </ul>	<ul style="list-style-type: none"> <li>2021-252901 ICT Security Specialist</li> <li>2021-251101 ICT Systems Analyst</li> <li>2021-252301 Computer Network and Systems Engineer</li> </ul>
<b>Financial management</b>	N/A	N/A	<ul style="list-style-type: none"> <li>2021-121901 Corporate General Manager</li> <li>2021-121101 Finance Manager</li> <li>2021-122101 Sales and Marketing Manager</li> </ul>

<sup>1</sup> The OFO major group classifications do not consider seniority by experience or rank. Thus, "midlevel" and "senior" include junior to senior technicians and professionals, for example.



Skills gap	Lower-level (plant operators and elementary)	Midlevel (technicians, associates, artisans and clerical)	Senior (managers and professionals)
<b>Communication</b>	N/A	<ul style="list-style-type: none"> <li>• 2021-422601 Receptionist (General)</li> </ul>	<ul style="list-style-type: none"> <li>• 2021-122102 Sales Manager</li> <li>• 2021-133102 ICT Project Manager</li> <li>• 2021-251101 ICT Systems Analyst</li> </ul>
<b>Customer service</b>	<ul style="list-style-type: none"> <li>• 2021-862918 Electrical or Telecommunications Trades Assistant</li> </ul>	<ul style="list-style-type: none"> <li>• 2021-351201 ICT Communications Assistant</li> <li>• 2021-672205 Telecommunications Technician</li> </ul>	<ul style="list-style-type: none"> <li>• 2021-243403 ICT Sales Representative</li> </ul>
<b>Python (Coding language)</b>	N/A	N/A	<ul style="list-style-type: none"> <li>• 2021-251203 Developer Programmer</li> <li>• 2021-251201 Software Developer</li> </ul>
<b>Sales skills</b>	N/A	<ul style="list-style-type: none"> <li>• 2021-333903 Sales Representative (Business Services)</li> </ul>	<ul style="list-style-type: none"> <li>• 2021-122101 Sales and Marketing Manager</li> <li>• 2021-243403 ICT Sales Representative</li> <li>• 2021-243401 ICT Account Manager</li> </ul>
<b>Problem solving</b>	N/A	<ul style="list-style-type: none"> <li>• 2021-352106 Production Assistant (Film, Television or Radio)</li> </ul>	<ul style="list-style-type: none"> <li>• 2021-251203 ICT Systems Analyst</li> <li>• 2021-121901 Corporate General Manager</li> </ul>
<b>C (Coding language)</b>	N/A	N/A	<ul style="list-style-type: none"> <li>• 2021-251203 Developer Programmer</li> <li>• 2021-251201 Software Developer</li> </ul>

## Occupational Shortages and Skills Gaps *(continued)*

### 3.3 Skills gaps *(continued)*

Skills gap	Lower-level (plant operators and elementary)	Midlevel (technicians, associates, artisans and clerical)	Senior (managers and professionals)
<b>Leadership</b>	N/A	<ul style="list-style-type: none"> <li>• 2021-334103 Call Centre Team Leader</li> </ul>	<ul style="list-style-type: none"> <li>• 2021-133102 ICT Project Manager</li> <li>• 2021-121901 Corporate General Manager</li> <li>• 2021-122102 Sales Manager</li> </ul>
<b>Business management</b>	N/A	<ul style="list-style-type: none"> <li>• 2021-333910 Business Support Coordinator</li> </ul>	<ul style="list-style-type: none"> <li>• 2021-112101 Director (Enterprise/ Organisation)</li> <li>• 2021-122201 Advertising and Public Relations Manager</li> </ul>

Source: WSP/ATR Submission, 2022

Employers in the sector require a combination of hard and soft skills, for example hard skills within the ICT sector require Software Developers to be able to code in Python, this has become a sought-after skill. Moreover, in terms soft skills, design and critical systems thinking are some of the emerging soft skills needed by most organisations as these promise acceleration to innovation. At more senior roles emotional intelligence has been noted to be important. Design and Critical Systems thinking make it possible for project managers and specialists to look at transformation as a whole, from a systems perspective to propose a real understanding of impact of the project. Scholars in the field highlight, Design Thinking as an innovative, creative, and human-centred process and mind-set that employs a collaborative multi-disciplinary approach. It has been applied beyond the original sphere of design work to business, engineering, technology, and more recently, education, because of its ability to advance creativity and innovation by applying an empathetic, flexible and iterative approach. It is user-centric and oriented towards solution-seeking by breaking down a problem into small parts to analyse it, to explore it, to test the results, and to create solutions that benefit the end-user (Yedra et al, 2022).

As the rest of the world is two years in – since the inception of the pandemic – the South African ICT sector's response has been encouraging. Although the COVID-19 pandemic has certainly not triggered Industry 5.0, it has brought home the reality of Industry 4.0, as digital workflows, robots and automation are no longer a goal but a requirement. IoT devices have offered organisations a path toward preserving revenue streams during this pandemic. Skills such as financial management, leadership and business management consistently remain increasingly important to keep businesses open, with Enterprise Directors, Finance Managers and Sales and Marketing Managers being some of the previously affected occupations in the early stages of the pandemic.

### 3.4 Extent and nature of supply

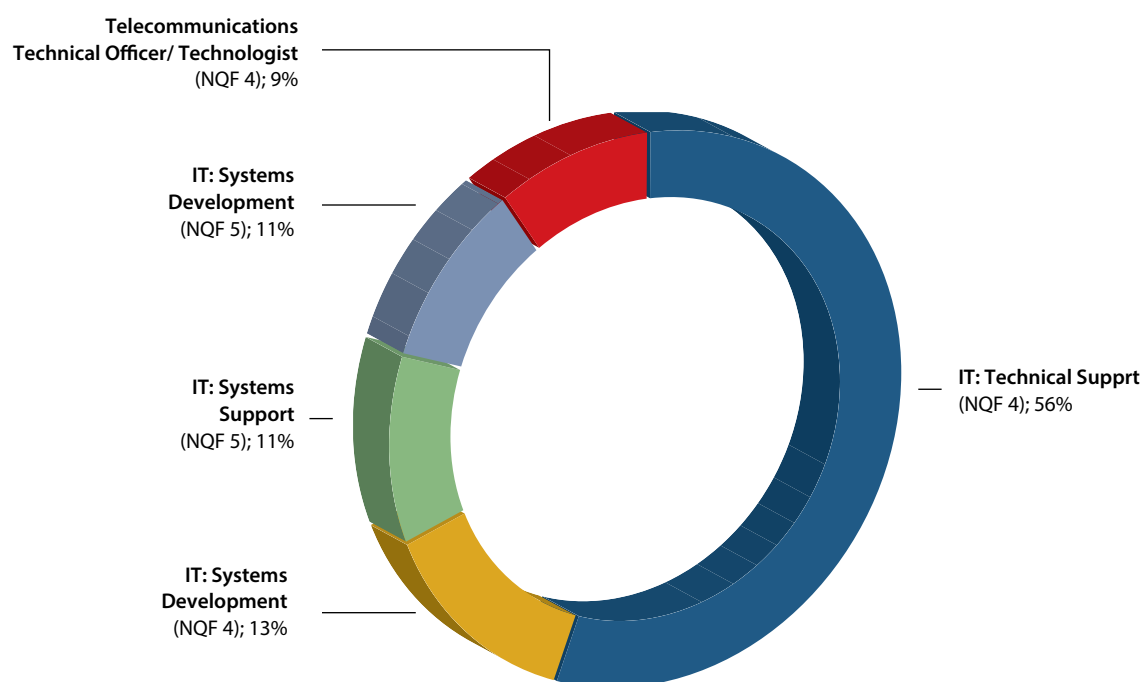
This section looks at the provision of education and training of skills, with the focus specifically on MICT-accredited qualifications. It also reviews provision in higher education, TVET colleges and vendor programmes. It assesses the gaps in the supply pipeline to help identify where the MICT SETA can most effectively intervene.

### 3.4.1 MICT SETA accredited qualifications

An analysis of the total learnerships and skills programmes population to date as reflected below, indicates that a significant portion of total enrolment has been in the following five qualifications:

- Information Technology: Technical Support (NQF 4)
- Information Technology: Systems Development (NQF 4)
- Telecommunications Technical Officer/Technologist (NQF 4)
- Information Technology: Systems Support (NQF 5)
- Information Technology: Systems Development (NQF 5)

**Figure 14: Top 5 qualifications enrolled for**



Source: MICT SETA QMR, 2021

The NQF Level 4 qualification in Technical Support drew the most learners (56%) in 2021. The two level 5 qualifications in ICT (Systems Support and Systems Development) match the demand for occupations in high demand within the sector. Systems Development, for example, allows for specialisation in one of the following disciplines: Procedural Programming; Object Oriented Programming; Fourth Generation Language Programming; Website development; Multimedia; Electronic Commerce.

## Occupational Shortages and Skills Gaps *(continued)*

### 3.4 Extent and nature of supply *(continued)*

#### 3.4.1 MICT SETA accredited qualifications *(continued)*

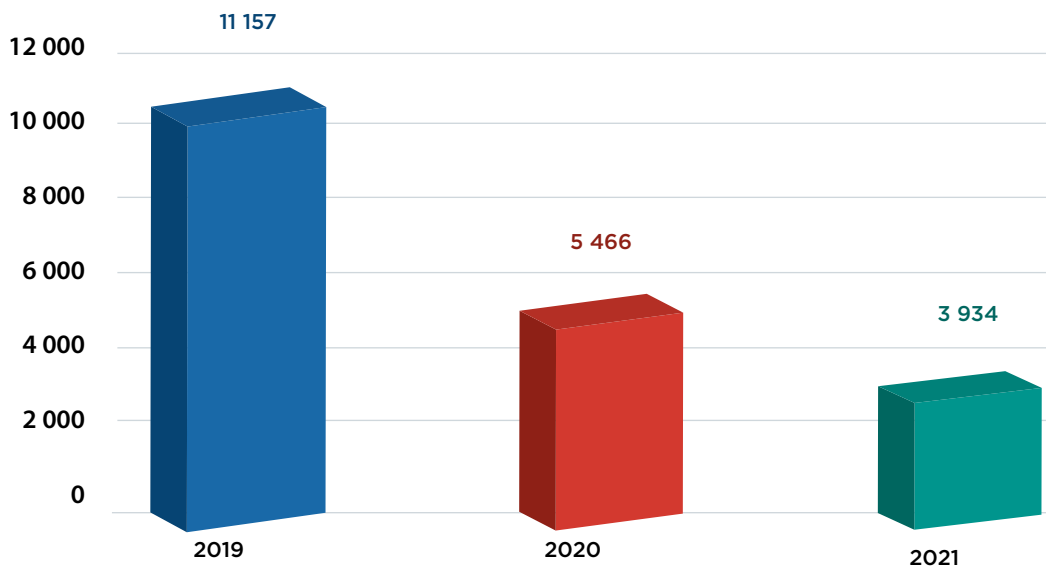
While there has been an increase in students enrolling for NQF 5 qualifications specialising in advertising, stakeholders in the Advertising sub-sector raised concerns over the lack of training in digital marketing. Since specialised advertising courses were mainly offered by private universities and colleges, such as Higher Certificates and Advanced Diplomas in digital content creation and marketing, there is limited access for those without financial backing to enrol in such programmes. There is a need for increased awareness of non-traditional career paths amongst high school learners. A study by Cambridge International showed that most South African students still prefer to embark on more 'traditional careers' like medicine and dentistry, engineering and psychology (Cambridge International, 2018). Students may be more inclined to follow non-traditional careers in spaces such as Advertising or Film and Electronic Media if they receive more exposure to these careers at high school level. Stakeholders also noted that many of their desired training courses are offered online but these were not SAQA accredited, complicating their funding and promotion as courses of choice.

The establishment of new, small-scale firms and cooperatives in film production in rural areas and townships has opened opportunities for skills development, especially where they have been able to access DTI funding. In 2021, there was demand for the Further Education and Training Certificates in Film and Television Production Operations (NQF 4) as well as the National Certificate in Film and TV Production (NQF 5) (MICT SETA QMR, 2021). Similar to advertising, programmes relating to Film and Electronic media are predominantly offered by private institutions and are costly.

#### Enrolments in MICT SETA qualifications

Figure 20 shows that enrolment in learnerships and skills programmes have shown steady decline over the past three years, decreasing from 17 974 learners in 2019 to 5 499 learners in 2020, and declining further to 3 934 in 2021.

**Figure 15: Learnerships and skills programmes enrolment 2017–2019**

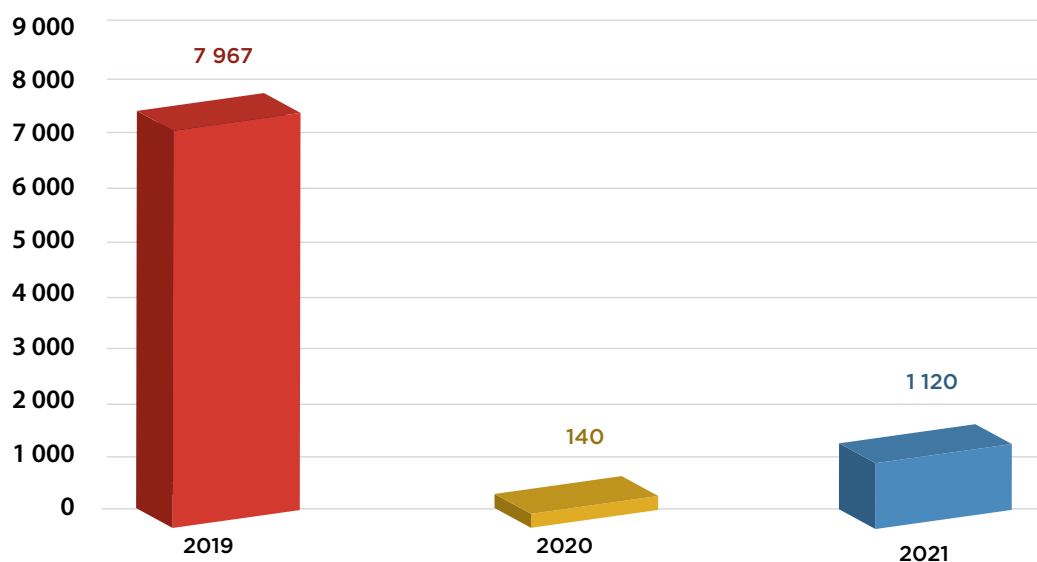


Source: MICT SETA QMR, 2021

### Completions

Figure 21 shows the total number of completed learnerships and skills programmes from 2019 to 2021. While there was significant growth in the number of completions of learnerships and skills programmes in 2019 (7 967), from the year 2020 this number significantly dropped (140), this has been attributed to the challenges brought by COVID-19 pandemic, such as the delayed academic year, training institutions were still searching for ways for continuous training. In the year 2021, the SETA observed a slight increase (1 120), this is due to businesses and training institutions having now found ways for continuous operation, such as models for e-learning and introduction of remote working policies.

**Figure 16: Learnerships and skills programmes completions 2019–2021**



SETA QMR, 2021

### Equity demographics

The NSDP seeks to promote equity. The MICT SETA programmes appear to have consistently managed to attract black women into the sector. Stakeholders in the sector confirmed that there was a rise in the number of women in learnerships, especially in ICT technical areas which were traditionally dominated by men. However, it was noted that there were very few black candidates being trained as “creatives” in both the Advertising and Film and Electronic Media sub-sectors.



## Occupational Shortages and Skills Gaps *(continued)*

### 3.4 Extent and nature of supply *(continued)*

#### 3.4.2 Developed 4IR qualifications

In partnership with the QCTO and other key relevant stakeholders, the MICT SETA has developed 33 occupational qualifications that align to the demand of the 4IR. A number of consultative road shows were held to explain the process followed to develop the qualifications. Below are the qualifications that have been developed by the SETA to date:

**Table 11: Developed 4IR qualifications**

1. Occupational Certificate: Artificial Software Developer.	16. HTML (Skills Programme).
2. Occupational Certificate: Cloud Administrator.	17. Java (Skills Programme).
3. Occupational Certificate: Cybersecurity Analyst.	18. Java script (Skills Programme).
4. Occupational Certificate: Design Thinking Innovation Lead.	19. C++ (Skills Programme).
5. Occupational Certificate: Design Thinking Practitioner.	20. Occupational Certificate: Blockchain.
6. Occupational Certificate: Quality Test Automator.	21. Occupational Certificate: 3D Printing.
7. Occupational Certificate: Software Developer.	22. Occupational Certificate: Extended Reality.
8. Occupational Certificate: Data Science Practitioner.	23. Occupational Certificate: Optical Fibre.
9. Occupational Certificate: E-waste Operator Controller.	24. Mobile Device Repairer (Part qualification).
10. Occupational Certificate: Internet of Things.	25. Laptop Repairer (Part qualification).
11. Occupational Certificate: Robotic Processing Automation Developer.	26. Wearable Repairer (Part qualification).
12. Occupational Certificate: Mobile Computing Technician Devices.	27. Accessories Repairer (Part qualification).
13. Java Programmer (Skills Programme).	28. Occupational Certificate: Drone Technician.
14. Cybersecurity Defender (Skills Programme).	29. Occupational Certificate: Remote Piloting Aircraft.
15. Python (Skills Programme).	30. Occupational Certificate: Remote Piloting Technician.
	31. Wearable Repairer (Part qualification).
	32. 5G Cellular Network Administrator (Skills Programme).
	33. Technopreneur (Skills Programme).

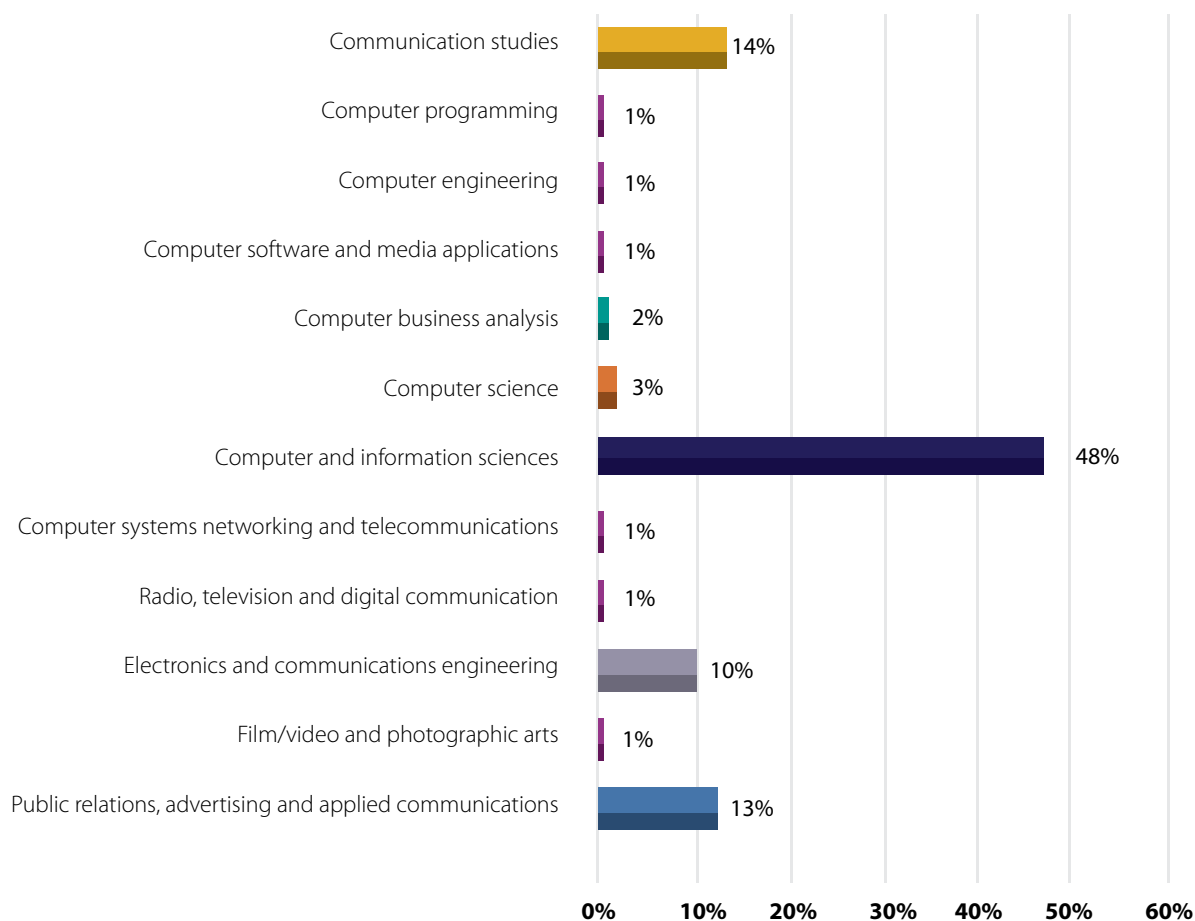
Source: MICT SETA/QCTO, 2021

#### 3.4.3 Higher education

The higher education sub-sector in South Africa comprises 26 public universities and 132 private universities. These universities are responsible for generating a skilled workforce and yielding academics who are able to produce the research output and innovation needed to drive economic growth in the country (Department of Higher Education and Training, 2019).

Figure 22 is an illustration of enrollments according to major(s)/area of specialisation and qualification type. Due to the limitations of the Higher Education Management Information Systems (HEMIS), the data analysis is based on the 2020 data, the major field/qualification type within MICT sector with the highest enrolment was observed to be in the computer and information sciences (48%). Stakeholders in the sector highlighted that the qualification gives students the advantage of being able to deal with various aspects of data and information, as they learn about efficiently handling a massive amount of information that needs to be analysed, categorised, manipulated and disseminated. Through this qualification they have the opportunities to become Information scientists and engineers, to design different methods to resolve complex data and information problems in innovative ways. Communication studies (14%), is another major(s) and area of specialisation with the highest enrolment, followed by Public Relations, Advertising and applied communications with 13%. While this indicates that there has been positive growth in public universities, faster growth is necessary to realise the NDP goal of a 1.6 million headcount by 2030.

**Figure 17: Enrollment major(s)/area of specialisation and qualification type**



Source: DHET HEMIS, 2020

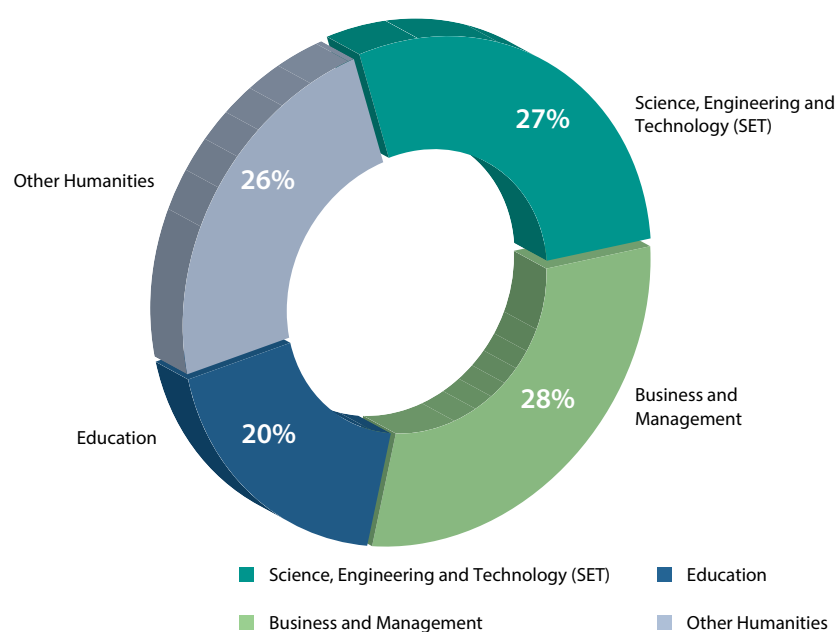
## Occupational Shortages and Skills Gaps *(continued)*

### 3.4 Extent and nature of supply *(continued)*

#### 3.4.3 Higher education *(continued)*

Figure 23 presents the graduations across major fields of study in all public higher education institutions in 2020.

**Figure 18: Graduations for 2020 in public HEIs by major field of study<sup>2</sup>**



Source: DHET HEMIS, 2020

While in the previous financial years Science, Engineering and Technology (SET) had the highest number of graduates compared to the other major fields as specified above, in the year 2020, the SET studies saw a slight decline. These students are in qualifications such as Computer and Information Sciences, one of the identified reasons for this decline by stakeholders is the pandemic, many institutions were not prepared for e-learning and, when eventually such models were in place, the academic year was already affected. The digital divide is another factor considered for this decline. Forced by the pandemic Universities and other training institutions had to develop ICT applications for continuous training. The Universities of the Witwatersrand and Johannesburg and the Tshwane University of Technology, for example, have 'innovation hubs', which are creative spaces where people can meet, brainstorm and work on projects. The hubs are also an environment in which skills are learnt and exchanged across a number of disciplines. The MICT SETA has been involved in supporting these initiatives.

Table 12 below shows the total number of enrollments in private higher education institutions across five NQF fields. Such institutions offer programmes spanning from NQF levels 5 to 10. Of the 219 031 students enrolled in private HEIs in the year 2020, 35% enrolled in Bachelor of Commerce, 24% of the students were enrolled for Bachelor of Business Administration, while 16% of them were enrolled at NQF level 9 qualification in Business Administration. Relevant to the sector 13% were enrolled for a Bachelor of Science in Information Technology qualification. Lastly, 12% enrolled for law studies. Moreover, stakeholders in the sector highlight that the reason for low enrollments for qualifications in Information Technology is mainly attributed to the expensive fees, youth coming from disadvantaged backgrounds cannot afford such studies, and hence the SETA, through vendor programmes, consistently tries to partner with key role players to bridge this gap.

<sup>2</sup> Publicly available data is only available up to 2020.

**Table 12: Enrollments in private HEIs by NQF field<sup>3</sup>**

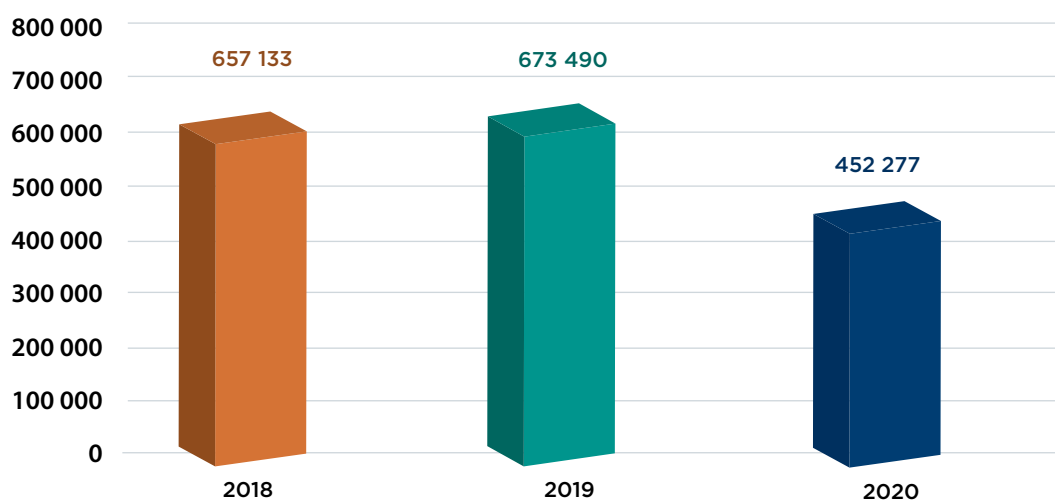
NQF field	No	%
Bachelor of Science in Information Technology	1 926	13
Master of Business Administration	2 424	16
Bachelor of Business Administration	3 616	24
Bachelor of Commerce	5 217	35
Bachelor of Commerce in Law	1 861	12

Source: DHET, Statistics on Post-School Education and Training in South Africa, 2020

According to DHET's 'Skills for and through SIPS' report, which assessed skills development in relation to government's Strategic Integrated Projects, university curricula have generally not kept pace with the rate of change of technology. The report argues for 'curricula to be more relevant and academics to have more practical experience to ensure that graduates were prepared for the workplace'. In the case of data scientists' most are foreign and need to be harnessed to develop a new breed of local data scientists for this expanding field" (Bijl, A Van Der, 2019).

### 3.4.4 TVET colleges

DHET has been promoting TVET colleges to be learning institutions of choice, this has also been supported by legislative mandates such as the NSDP, ERRP and the supporting skills strategy for the ERRP. The aforementioned legislative mandates mirror the objectives of the White Paper on Post School Education and Training, aspiring for a quality post school education which includes expanded access to public TVET colleges. In addition to increased access, the strategic objective of the public TVET colleges sector is to improve success in programmes that produce quality education at intermediate and higher levels, by providing technical and vocational qualifications. Figure 24 depicts the total student enrollments in TVET colleges over the 3-year period ending 2020.

**Figure 19: Number of students enrolled in TVET colleges, 2018–2020**

Source: DHET, Statistics on Post-School Education and Training in South Africa, 2020

<sup>3</sup> Publicly available data is only available up to 2020.

## Occupational Shortages and Skills Gaps *(continued)*

### 3.4 Extent and nature of supply *(continued)*

#### 3.4.4 TVET colleges *(continued)*

As seen above, there has been a significant decline in enrollments from 2018 (657 133) to 2020 (452 277). This may be linked to TVET colleges no longer being institutions of choice since they are behind in terms of offering 4IR programmes as compared to private institutions. This results in potential students becoming discouraged by the opportunities available to TVET graduates. Another factor is around employers not treating TVET graduates as employees of choice over those that attend universities or private colleges, hence, many remain unemployed. Under increasing financial strain, especially under the COVID-19 pandemic, employers are hesitant to invest resources into recruiting and training interns.

TVET colleges offer a variety of learning programmes and qualifications, typically ranging from NQF level 2 to NQF level 5. Of particular importance are the occupational qualifications offered by TVET colleges, which encompass workplace-based learning programmes, many of which are funded by the SETA. These occupational programmes provide learners with the opportunity to obtain qualifications or part-qualifications that meet the various workplace skills demands in the Sectors, as outlined in the beginning of this Chapter (DHET, 2020). However, some stakeholders noted that TVET college graduates are generally not in a position to pass requisite international exams and are therefore not always in high demand upon graduation.

To date, there has been little reliable information about completion rates of TVET College students with the latest data available being 2018, which is out dated for the study. The unavailability of such data limits the study for better reliability and confidence.

#### 3.4.5 Vendor programmes

Vendor specific programmes provide opportunities for students to integrate disciplinary and theoretical knowledge with work, through the application and use of knowledge and skills in real and professional work contexts. These programmes are designed to meet the advancements in the applications and technologies used by companies and business units, and, as a result, are most common and relevant to the ICT sub-sector. Vendor programmes are usually short and focused programmes that are designed by software and hardware companies as an effective means to introduce new technologies or applications to both existing and new entrants in the labour market. (MICT SETA, 2022).

Vendor courses have the benefit of keeping up to date with rapidly changing technology. But for the same reason, these courses can quickly become obsolete if the product turns out to have a short shelf-life. There is also a concern that training content is focused on the vendor's products and therefore not generic enough to educate on the underlying principles. Consequently, there has been an apparent increase in the demand for customised training solutions rather than more comprehensive off-the-shelf training that covers a broader range of technology solutions. At the same time, stakeholders in the sector reported that employers increasingly want employees to cross-certify with multiple vendors. Having multiple skills has become an inherent job requirement with certified skills such as CompTIA A+, Network+, MCSA, MCSE, Azure, CISCO, etc., being the third most in-demand skills for mid-level to senior employees across the sector. These skills also rank in the top 10 skills gaps in Telecommunications across occupational groups. To respond to the persistent demands for vendor certificates, the MICT SETA continues to map these programmes against existing NQF qualifications.



### Assessment of education and training

The MICT SETA conducted a learning programmes tracer study, assessing the demographics and employment profiles of learners who participated in the SETA learning programmes over the period of 2019/20. The results indicated that the majority of learners that had participated in the SETA funded learning programmes did not continue their studies after having completed their learning programmes. The results showed that only 9% continued their studies on a full-time basis, 22% continued on a part-time, while 69% did not continue their studies. Moreover, in terms of employment, the employment rates of the MICT SETA learning programme, learners of 2019/20 reflect the issue of unemployment in South Africa, as 66% of the learners are unemployed, with only 15% in full-time employment and 17% in part-time employment. Furthermore, it was raised by employers and training providers that due to challenges in absorbing learners, it is important that entrepreneurship skills are included as part of the learning programmes, as only 3% of learners are self-employed. Keeping in mind the figure of unemployed learners (66%), 54.6% of learners have between 1 and 3 dependents, 9.2% have more than 3 dependents and 36.2% have no dependents. This raises more concern as 74% of learners have indicated an overall negative impact of COVID-19 on their careers.

Despite this, MICT SETA's learning programmes have resulted in some learners being employed. Of the employed learners, 49% attributed their employment to the MICT SETA learning programme and 49% of learners indicated having had a promotion/increase in rank or position at work after completing their learning programme. Furthermore, 67% of learners' qualifications match their occupations, while 20% have qualifications that do not match their occupations and 13% have qualifications that partially related to their occupations. The formal sector accounts for the sector in which 83% of learners are employed, with the remaining 17% in the informal sector. The top six sub-sectors being Media, Advertising and ICT accounting for 42% of employed learners, followed by Education (11%), Wholesale and Retail (6%), Banking (5%), Healthcare and Welfare (5%), and Culture, Arts, Tourism, Hospitality and Sport (5%).

To attract and retain learners, stakeholders stress the importance of keeping programmes relevant and up to date, with special regards to 4IR, and directing additional resources towards developing appropriate occupations and qualifications. The SETA continues to respond to this demand through its SSP and revised Sectoral Priority Occupations List. Overall, it appears that while the learning interventions that are undertaken in the sector have some relevance to employers and are beneficial to workers, there is room for further improvement and refinement.

### Qualification and occupation mapping

The MICT SETA initiated a process of mapping key occupations in the sector to various qualifications and learning pathways. From this mapping exercise the MICT SETA gained intelligence and insight on how to address key occupations in the sector. It is anticipated that the Sectoral Priority Occupations interventions' list identified will help address the skills shortages in the sector, as well as enable employers in the sector to bridge the gap between skills demand and supply. Table 14 below provides a list of possible qualifications mapped to occupations in the sector.

## Occupational Shortages and Skills Gaps *(continued)*

### 3.4 Extent and nature of supply *(continued)*

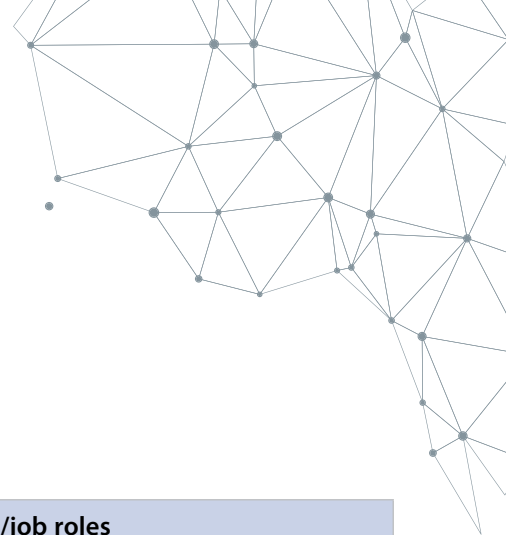
#### 3.4.5 Vendor programmes *(continued)*

##### Qualification and occupation mapping *(continued)*

**Table 13: Possible qualifications mapped to occupations**

Qualification	Career prospects/job roles
<b>BSc or NDip majoring in:</b>	
<ul style="list-style-type: none"> <li>• Business Computing</li> <li>• Computer Engineering</li> <li>• Computer Science/Studies/Systems</li> <li>• IT (Web Design and Development)</li> <li>• Information Systems/Technology</li> </ul>	<ul style="list-style-type: none"> <li>• ICT Systems Analyst</li> <li>• Web Technician</li> <li>• Systems Administrator</li> <li>• Computer Network Technician</li> <li>• Software Developer</li> <li>• Computer Network and Systems Engineer</li> <li>• ICT Security Specialist</li> </ul>
<b>BArts/Learnerships majoring in:</b>	
<ul style="list-style-type: none"> <li>• Acting</li> <li>• Drama and Performance Studies</li> <li>• Film and Television</li> </ul>	<ul style="list-style-type: none"> <li>• Actor</li> <li>• Director</li> </ul>
<b>BArts/Learnerships majoring in:</b>	
<ul style="list-style-type: none"> <li>• Audio-Visual Communication</li> <li>• Translation and Professional Writing</li> <li>• Creative writing</li> </ul>	<ul style="list-style-type: none"> <li>• Scriptwriter</li> <li>• Creative Director</li> </ul>
<b>BTech or NDip majoring in:</b>	
<ul style="list-style-type: none"> <li>• Motion Picture Production</li> <li>• Multimedia</li> <li>• Film and Video Technology</li> </ul>	<ul style="list-style-type: none"> <li>• Multimedia Specialist</li> <li>• Film and Video Editor</li> </ul>
<b>BCom or NDip majoring in:</b>	
<ul style="list-style-type: none"> <li>• IT Management</li> <li>• Applied Information Systems</li> </ul>	<ul style="list-style-type: none"> <li>• Chief Information Officer</li> <li>• ICT Project Manager</li> <li>• IT Manager</li> </ul>





Qualification	Career prospects/job roles
<b>BCom/BTech/Dip majoring in:</b>	
<ul style="list-style-type: none"> <li>• Business Management/Management Sciences</li> <li>• Project Management</li> </ul>	<ul style="list-style-type: none"> <li>• Management Consultant</li> <li>• Business Analyst</li> <li>• Service Solutions Project Manager</li> </ul>
<b>BEng/NDip/Learnership majoring in:</b>	
<ul style="list-style-type: none"> <li>• Electronic Engineering</li> <li>• Computer Engineering</li> </ul>	<ul style="list-style-type: none"> <li>• Computer Network and Systems Engineer Developer Programmer</li> <li>• Software Developer</li> <li>• Telecommunications Technologist</li> <li>• Electronic Engineering Technician</li> </ul>
<b>BA Honours in:</b>	
<ul style="list-style-type: none"> <li>• Film and Documentaries</li> <li>• Media and communication</li> <li>• Development and communication</li> <li>• Digital Media Design</li> </ul>	<ul style="list-style-type: none"> <li>• Editor</li> <li>• Director</li> <li>• Content producer</li> </ul>
<b>BCom/NDip/Learnership majoring in:</b>	
<ul style="list-style-type: none"> <li>• Strategic Brand Management</li> <li>• Digital Marketing</li> <li>• BA Creative Brand Communications</li> <li>• Marketing Management/Communication</li> </ul>	<ul style="list-style-type: none"> <li>• Brand Strategist</li> <li>• Brand Auditor</li> <li>• Digital Marketing Strategist</li> <li>• Copywriter</li> <li>• Social Media Coordinator</li> </ul>
<b>Diploma/Learnerships/Higher Certificates in:</b>	
<ul style="list-style-type: none"> <li>• Marketing and Advertising Communications</li> <li>• Art Direction Diploma</li> <li>• Graphic Design</li> <li>• Copywriting</li> </ul>	<ul style="list-style-type: none"> <li>• Creative Director</li> <li>• Campaign Coordinator</li> <li>• Graphic Designer</li> <li>• Digital marketer</li> </ul>
<b>Dipl./Learnerships/NCert in:</b>	
<ul style="list-style-type: none"> <li>• Electronic/Engineering Studies</li> <li>• Information Technology (Networking)</li> <li>• Telecommunications</li> <li>• Information Systems</li> </ul>	<ul style="list-style-type: none"> <li>• Telecommunications Technician</li> <li>• Computer Network Technician</li> <li>• Systems Administrator</li> <li>• Electronic Engineering Technician</li> </ul>

Source: DHET, the National Career Advice Portal, 2020

## Occupational Shortages and Skills Gaps *(continued)*

### 3.5 Sectoral priority occupations

The compilation of the Sectoral Priority Occupations (SPO) list follows a process that combines both analytical and qualitative inputs. This involved analysis of WSPs, employer surveys, desk-based research as well as validation through stakeholder focus groups. In addition, interviews were conducted with a number of stakeholders including industry bodies and professional associations, government stakeholders, trade unions and other key informants. Interviews focused on developments in the sector, emerging trends as well as future skills needs. Given the dynamic nature of the MICT sector, these interviews helped to identify new trends regarding new occupations as well as future skills needs in the economy.

The quantitative analysis, occupations, and specialisations flagged as hard to fill in WSP/ATR submissions were tested for prioritisation against systemic and volumetric considerations via surveys, interviews and focus groups. Appropriate interventions were then determined per occupation based on prior and planned skills development for those occupations and adjusted based on SETA experience; most occupations were not NQF aligned due to them being internationally benchmarked and being vendor specific programmes. The MICT SETA still has a strong focus on vendor programmes as these are demand-led by the sector. There is room for vendor programmes to exist next to NQF aligned programmes. However, we recognise the need to get all our programmes NQF aligned, therefore the SETA plans to align all its vendor programmes to its qualifications. This will also be done through Recognition of Prior Learning (RPL).

The quantity to be supported by the SETA was determined based on planned APP targets per type of intervention and distributed across the occupations based on the extent of Sector demand as reported in the WSP/ATR submissions.

Given the central role that 4IR plays in the MICT sector, important 4IR-related skills requirements were particularly taken into account in the determination of hard to fill vacancies and the SPO list. Consultations sought to unpack the business and skills fundamentals underpinning 4IR. The occupations in the SPO list are linked to 4IR change drivers articulated in Chapter 2. Following the production of the draft SPO list, input was incorporated from deliberations at Executive Committee and Board level, and the final SPO list was signed off by the MICT SETA Board.

The limitation of the data presented is that, even though it considers other sources such as employer surveys, interviews and focus groups, the input data from employer WSPs is not without challenges. Stakeholders who formed part of the validation processes reflected that OFO codes were vague and confusing with several overlaps in occupational descriptions. In some instances, OFO codes did not exist for their desired occupations.

The SETA is, however, confident that based on the rigorous, practical, and balanced approach adopted for the determination of the MICT sector SPO list, and the identified priority occupations and interventions will help underpin the skills development planning and implementation required to address skills issues and opportunities in the sector, including critical areas such as 4IR.

The following table below presents the 2023/24 SPO List and the interventions planned thereof.

**Table 14: Top ten Sectoral Priority Occupations List for the MICT sector**

SETA name	Period	Occupation code	Occupation	Specialisation/ alternative title	Intervention planned by the SETA	NQF level	NQF aligned	Quantity needed	Quantity to be supported by the SETA
MICT SETA	2023/24	2021-25 201	Software Developer	<ul style="list-style-type: none"> <li>• Software Architect</li> <li>• Information Architect Software</li> <li>• Software Designer</li> <li>• Software Engineer</li> <li>• ICT Risk Specialist</li> </ul>	Bursary (diploma)	6	Y	3 295	2 550
					Bursary (degree)	7	Y		
						8	Y		
					Internship	6	N		
						7	N		
						8	N		
					MCSD Certification	5	N		
					Scrum Certification	6	N		
MICT SETA	2023/24	2021-25 2301	Computer Network and Systems Engineer	<ul style="list-style-type: none"> <li>• Computer Systems/Service Engineer</li> <li>• Systems Integrator</li> <li>• Computer Systems Integrator</li> <li>• Network Engineer</li> <li>• Communications Analyst (Computers)</li> <li>• Systems Engineer</li> <li>• Network Support Engineer</li> <li>• ICT Customer Support Officer</li> <li>• Network Programmer/Analyst</li> <li>• Computer Network Engineer</li> </ul>	Bursary (diploma)	6	Y	2 662	1 812
					Bursary (degree)	7	Y		
						8			
						9			
					Internship	6	N		
						7			
						8			
					CISCO Certification	5	N		
						6	N		
						7	N		
					CompTIA Network+ Certification	5	N		

## Occupational Shortages and Skills Gaps *(continued)*

SETA name	Period	Occupation code	Occupation	Specialisation/ alternative title	Intervention planned by the SETA	NQF level	NQF aligned	Quantity needed	Quantity to be supported by the SETA
MICT SETA	2023/24	2021-251101	ICT Systems Analyst	• Computer Analyst	Bursary (diploma)	6	Y	1 772	1 442
				• ICT Systems Contractor	Bursary (degree)	7	Y		
				• ICT Systems Coordinator		8	Y		
				• Capacity Planner Computing					
				• LAN/WAN Consultant/Specialist	Internship	6	N		
				• ICT Systems Architect		7	N		
				• Systems Programmer					
				• Internet Consultant/Specialist		8	N		
				• ICT Systems Consultant	MCSA Certification	5	N		
				• ICT Business Systems Analyst					
				• ICT Systems Specialist	MCSE Certification	5	N		
				• ICT Systems Advisor					
				• ICT System Designer	Work integrated Learning	4	Y		
				• ICT Systems Strategist		5	Y		

SETA name	Period	Occupation code	Occupation	Specialisation/ alternative title	Intervention planned by the SETA	NQF level	NQF aligned	Quantity needed	Quantity to be supported by the SETA
MICT SETA	2023/24	2021-242101	Management Consultant (Business Analyst)	<ul style="list-style-type: none"> <li>• Management Consulting Specialist</li> <li>• Superannuation Transitions Specialist</li> <li>• Technology Development Coordinator</li> <li>• Operations Analyst</li> <li>• Service Solutions Project Manager</li> <li>• Small Business Consultant/Mentor</li> <li>• Capital Expenditure Analyst</li> <li>• Commercial Analyst</li> <li>• Corporate Planner</li> <li>• Farm Management Consultant</li> <li>• Business Coach</li> <li>• Financial Systems Advisor</li> <li>• Resource Development Analyst</li> <li>• Purchase Advisor</li> <li>• Business Support Project Manager</li> <li>• Strategic Developer/Facilitator</li> <li>• Business Consultant</li> <li>• Management Reporting Analyst</li> <li>• Business Turnaround Management Consultant</li> <li>• Ecommerce Programme Manager</li> </ul>	Bursary (diploma) Bursary (degree)  IIBA Certification (BABOK)  Work integrated Learning	6 7 8 5 6 4 5	Y Y Y N N Y Y	2 481	721

## Occupational Shortages and Skills Gaps (continued)

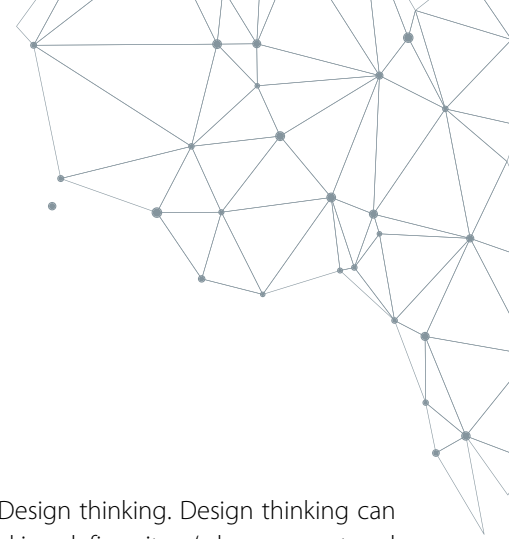
SETA name	Period	Occupation code	Occupation	Specialisation/ alternative title	Intervention planned by the SETA	NQF level	NQF aligned	Quantity needed	Quantity to be supported by the SETA
MICT SET	2023/24	2021-252901	ICT Security Specialist	<ul style="list-style-type: none"> <li>Internet Security Architect/Engineer/Consultant</li> <li>Security Administrator</li> <li>ICT Security Architect</li> <li>Database Security Expert</li> <li>Information Technology Security Manager</li> </ul>	Bursary (diploma)	6	Y	748	300
					Bursary (degree)	7	Y		
						8	Y		
					Internship	6	N		
						7	N		
						8	N		
					CompTIA Security + Certification	5	N		
						6	N		
					CISSP Certification	5	N		
						6	N		
					Work integrated Learning	4	Y		
						5	Y		
MICT SETA	2023/24	2021-251301	Multimedia Specialist	<ul style="list-style-type: none"> <li>Digital Media Specialist</li> <li>Multimedia Developer</li> <li>Graphical Programmer</li> <li>Computer Games Programmer</li> <li>Multimedia Programmer</li> <li>Animation Programmer</li> </ul>	Bursary (diploma)	6	Y	523	390
					Bursary (degree)	7	Y		
						8	Y		
					Internship	6	N		
						7	N		

SETA name	Period	Occupation code	Occupation	Specialisation/ alternative title	Intervention planned by the SETA	NQF level	NQF aligned	Quantity needed	Quantity to be supported by the SETA
MICT SETA	2023/24	2021-243403	ICT Sales Representative	<ul style="list-style-type: none"> <li>• Computer Consultant</li> <li>• Computer Software Support Consultant</li> <li>• Computer Systems Consultant</li> </ul>	Bursary (national certificate)	5	Y	95	60
					Short Programme	5	N		
					Internship	8	N		
MICT SETA	2023/24	2021-251202	Programmer Analyst	<ul style="list-style-type: none"> <li>• Software Configuration/Licensing Specialist</li> <li>• Designer (Hardware – Digital/Software)</li> <li>• Architect (Applications/Call Centre/ Computing/Desktop/Ecommerce)</li> <li>• Education Systems Coordinator</li> <li>• Computing (Development/Field) Engineer</li> <li>• Cross Enterprise Integrator</li> <li>• Engineer (Applications/Content/IT/ Software/Systems/WAN)</li> <li>• Architect (Enterprise/Internet/IT/Network/ Software/Unix/Web)</li> <li>• Database Designer</li> </ul>	Bursary (diploma)	6	Y	925	350
					Bursary (degree)	7	Y		
						8	Y		
					Internship	6	N		
						7	N		
						8	N		
					Work integrated Learning	4	Y		
						5	Y		



## Occupational Shortages and Skills Gaps (continued)

SETA name	Period	Occupation code	Occupation	Specialisation/ alternative title	Intervention planned by the SETA	NQF level	NQF aligned	Quantity needed	Quantity to be supported by the SETA
MICT SETA	2023/24	2021-251203	Developer Programmer	<ul style="list-style-type: none"> <li>ICT Developer</li> <li>ICT Programmer</li> <li>Applications Developer</li> </ul>	Bursary (diploma)	6	Y	451	250
					Bursary (degree)	7	Y		
					Internship	6	N		
						7	N		
					MCSD Certification	5	N		
MICT SETA	2023/24	2021-133102	ICT Project Manager	<ul style="list-style-type: none"> <li>ICT/IT/Computer Service Manager</li> <li>ICT/IT/Computer Marketing Executive</li> <li>ICT/IT/Computer Support Manager</li> <li>Hardware Development Manager</li> <li>ICT Project Director</li> <li>ICT/IT/Computer Operations Manager</li> </ul>	Bursary (degree)	7	Y	217	150
						8	Y		
						9	Y		
					PRINCE2 Certification	6	N		
						7	N		



Most of the occupations identified in the table above are characterised by Design thinking. Design thinking can be defined in a number of ways: One college offering a course in Design thinking defines it as ‘a human-centered and systematic approach to innovation grounded in the true understanding of customer needs.’ (Think Agile, n.d). Some of the world’s leading brands, such as Apple, Google, Samsung, and GE, have speedily adopted the Design and Critical thinking approach. In simple terms, it is an iterative process that teams use to understand consumers, challenge assumptions, redefine problems and create innovative solutions to prototype and test (Interaction Design Foundation, n.d).

However, the 4IR does not only relate to ICT. Sub-sectors such as Film & Electronic Media are also called to the fore by occupations such as Multimedia Specialist and their importance in virtual and augmented reality and 4D animation. To sell 4IR to consumers, ICT Sales Representative with strong product and technical knowledge will be involved across the entire spectrum of 4IR. But ‘there is no 4IR without 5G’ (Carew, 2019), the telecommunications sub-sector will thus have increased input in this regard, as well as network and systems occupations such as Computer Network and Systems Engineer.

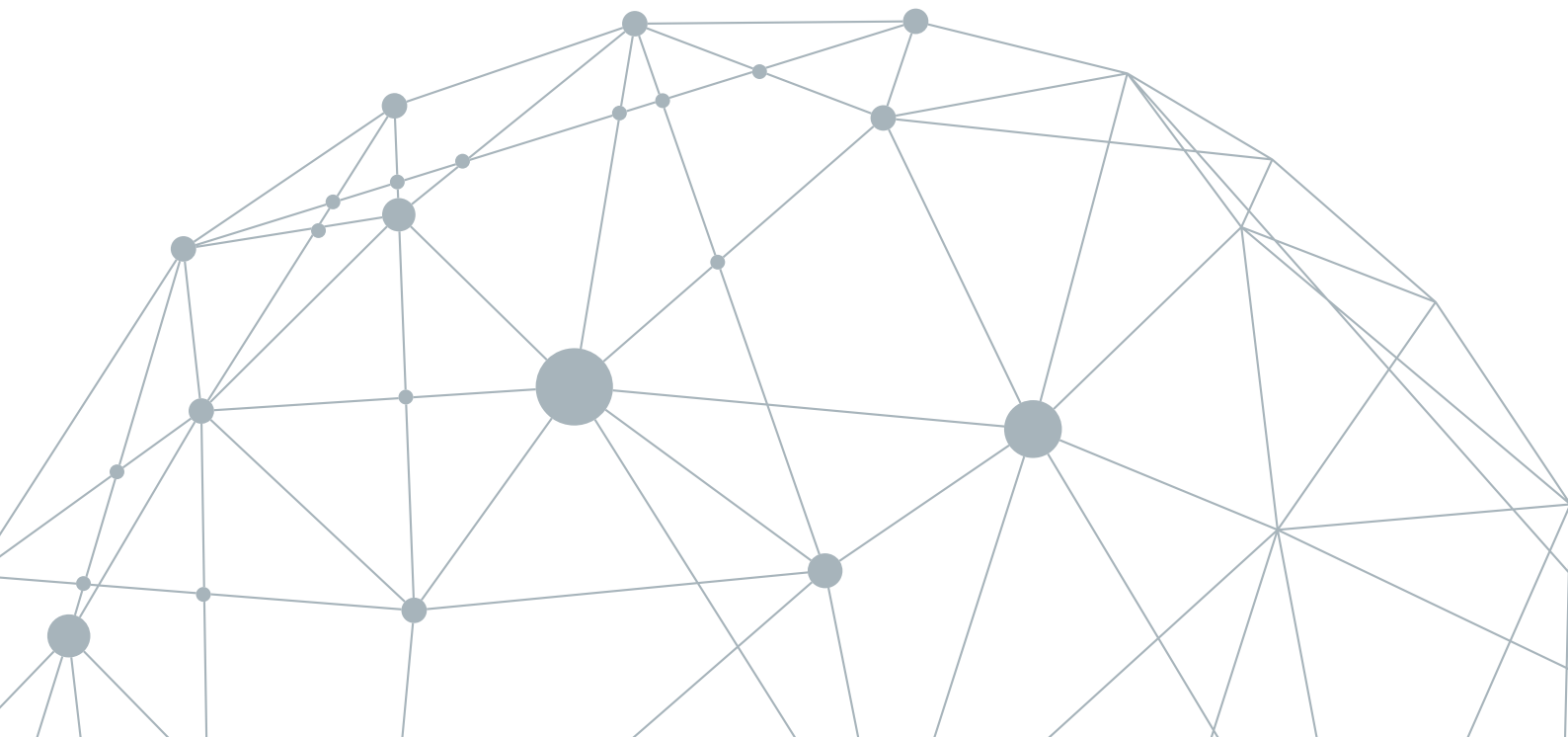
### 3.6 Conclusion

This chapter examined the extent and nature of demand for skilled labour in the MICT sector and explored the types and extent of training available to the sector. While it may be difficult to gauge the extent of the impact of COVID-19, given that the country is still in the midst of the pandemic, it is undeniable that skills development has been affected. The MICT sector has implemented cost-saving measures since the COVID-19 pandemic and subsequent lockdown, which has, in turn, increased demand on employees to be multi-skilled across a number of technologies, with convergence adding to that trend. So, while there are employment opportunities in the sector, these tend to be for high-skilled professionals. Informants in the ICT sub-sector reported that the shortage of skilled developers (especially in scarce coding languages such as Python or Java), has resulted in fierce competition for talent amongst employers which also raises salaries to levels many companies cannot afford. This is further compounded by the financial challenges presented by the COVID-19 pandemic.

Matching demand for skilled people with supply is difficult in a sector that changes consistently. Long-term predictions on occupations with hard to fill vacancies are not that reliable on the shifting sands of technology and, as a result, there has been a call to speed up accreditation processes and recognise vendor programmes on the NQF. Similarly, short, highly varied online courses that cater to specific employer requirements have become especially useful during the pandemic and lockdown. To this effect, employers urge speedy recognition of online learning on the NQF or at least a mechanism for such programmes to be funded more.

Regarding enrollments in MICT qualifications, Universities and Universities of Technology are the main sources of highly qualified MICT graduates and, according to stakeholders in the sector, the main supply of internship candidates. Despite historical bias towards private colleges, the placement of public TVET graduates is gradually increasing across the MICT sub-sectors with its own challenges elaborated on above.

# CHAPTER 4: SETA PARTNERSHIPS



## SETA Partnerships

### 4.1 Introduction

Chapter 3 explored the extent and nature of demand for skilled labour, the skills gaps that exist and the training available in the MICT Sector. This section explores partnerships within the MICT SETA and responds to the mandate of the Skills Development Act of 1998, which encourages SETAs, as agents of skills development, to establish partnerships with both the public and private sectors. Through these partnerships, the SETA responds to the NSDP outcomes and ERRP interventions which seek to ensure that South Africa has adequate, appropriate and high-quality skills that contribute towards economic growth, employment creation and social development. This chapter presents both new and existing partnerships in the SETA.

### 4.2 An analysis of existing SETA partnerships

Coupled with the need to align to the NSDP outcomes and six of the ERRP interventions to mitigate the negative effects of labour market change, there is also a requirement to strengthen access to skills development and promote upskilling and reskilling in the sector. The MICT SETA has entered into partnerships with various institutions to advance sector development and growth. These partnerships are structured into the following typologies:

- Partnerships with TVET colleges
- Partnerships with Universities
- Partnerships for Special Projects
- Partnerships with SMMEs
- Partnerships with Industry Vendors

The table below illustrates existing partnerships with TVETs, and programmes supported by the MICT SETA.

#### 4.2.1 Partnerships with TVET colleges

**Table 15: Partnership with TVET colleges**

Name of TVET	Term and duration	Objectives of partnership	Partnership challenges
Northlink TVET College	26/07/2021–25/10/2022	The objectives of partnerships with TVET colleges is to ensure that TVET college lecturers are equipped with the relevant skills and knowledge in order to provide quality teaching or training. Moreover, these partnerships have the potential to produced favourable labour market outcomes, which ultimately should lead to quick absorption of graduates into the workplace. This partnership supports Work Integrated Learning placements, also provides for other workplace-based learning opportunities, such as learnerships and internships	There is lack of industry experience for many TVET lecturers, TVET institutions cannot easily hire trainers from industry as their fees are much higher, which in turn puts a question of quality for employers. Moreover, there is a problem of weak participation from the industry, the concern is on the relevance of TVET programs and the lack of skills of TVET graduates in industry.
Flavius Mareka TVET College	07/09/2021–07/12/2022		
Goldfields TVET College	23/08/2021–23/11/2022		
King Sabata Dalindyebo TVET College	23/08/2021–23/11/2022		
Lephalale TVET College	10/08/2021–09/11/2022		
Lovedale TVET College	23/08/2021–23/11/2022		
Sekhukhune TVET College	23/08/2021–23/11/2022		

Source: MICT SETA Commitment Registers, 2022



## SETA Partnerships *(continued)*

### 4.2 An analysis of existing SETA partnerships *(continued)*

#### 4.2.1 Partnerships with TVET colleges *(continued)*

The partnerships outlined above mainly support Work Integrated Learning placements, but also provide for other workplace-based learning opportunities, such as learnerships and internships. Furthermore, they respond to the NSDP Outcome 2: Linking education and workplace. The reality is that TVETs are not well placed to identify the opportunities for partnership formation. Furthermore, they may lack the resources or skills needed to facilitate the development of partnerships. As a result, the MICT SETA plays a key role in proactively initiating these partnerships resulting in an acceleration of the realisation of the White Paper for Post-School Education and Training goal that states the need for TVETs to enrol 700,000 to 2.5 million students by 2030. Similarly, University partnerships, as outlined below, provide parallel opportunities.



#### 4.2.2 Partnerships with universities

**Table 16: University partnerships**

Name of university	Term and duration	Objectives of partnership	Partnership challenges
<b>Cape Peninsula University of Technology</b>	<b>2022/04/01 – 2023/03/31</b>	The objectives of these partnerships with universities is to drive skills development and the implementation of knowledge to youth and society for a technologically driven, service and knowledge economy. Tertiary institutions are at the forefront of cutting-edge knowledge generation and research. The objective of these partnerships is also to ensure that university students who need to complete WIL in order to obtain their qualification are given the opportunity to do so. These partnerships improve the supply of skilled people in the sector and afford learners from previously disadvantaged backgrounds opportunities to acquire high-level skills critical to industry development and growth, thus creating employment for those graduates. These partnerships are in response to NSDP outcome 4.2.	Some of the challenges around these partnerships include:
<b>Tshwane University of Technology</b>	<b>2022/04/01 – 2023/03/31</b>		<ul style="list-style-type: none"> <li>• Uneven capacity to implement MICT funded bursary programmes. There is a problem of document management, some institutions submit the required student documents timeously, some struggle.</li> <li>• There is also a challenge of delays in returning signed SLAs, legal teams within those institutions take time to review the proposed agreements, when they eventually respond they want to change some of the clauses in the document and that delays the project commencement and implementation.</li> </ul>
<b>University of Western Cape</b>	<b>10/11/2021 – 30/11/2022</b>	These are 4IR research partnerships, which have the objective to improve research and innovation capacity, producing high quality postgraduate students and research and innovation outputs. Ultimately, these partnerships are about improving the ways in which the education and training system produces skilled workers, as well as the ways in which workplaces support skills development and support the ability of workers to use their skills to the maximum. The research conducted in these Chairs draw on the political economy of development as well as the sociology of knowledge, to build insights into the interaction of skills development with the economy, industrial policy, working conditions and the possibilities and limitation of education.	<ul style="list-style-type: none"> <li>• University Bursary offices should be the liaison between the SETA and students to ensure consistent flow of information and to ensure that bursary assistance reaches the most academically and financially deserving students. In reality that role is not, however, they do not play they role very well, in some instances, students contact the SETA directly in search of funding. Ideally, this should not be the case when the University Bursary offices are there for such function.</li> </ul>
<b>Durban University of Technology</b>	<b>10/11/2021 – 30/11/2022</b>		

Source: MICT SETA Commitment Registers, 2022

## SETA Partnerships *(continued)*

### 4.2 An analysis of existing SETA partnerships *(continued)*

#### 4.2.3 Partnerships for special projects

The table below highlights some of the Special Projects Partnerships, which are aimed at maximising the provision of job opportunities and the transformational agenda.

**Table 17: Special project partnerships<sup>1</sup>**

Industry vendor	Term and duration	Objectives of partnership	Partnership challenges
<b>Khunjulwa Marketing Services</b>	<b>April 2022 – March 2023</b>	The Project is a Labour Activation Programme, which seeks to reskill and upskill unemployed South Africans who previously contributed UIF. It is with the view that the new set of skills received from this project will help the beneficiaries to not only look for work, but to also have options of becoming entrepreneurs.	There is a lack of administrative ability to implement learning programmes e.g. record keeping, financial management, reporting. Moreover, some of the service providers lack knowledge on some of the MICT SETA administrative requirements in implementing learning programmes.

#### 4.2.4 Partnerships for with SMMEs

**Table 18: Partnerships with SMMEs<sup>2</sup>**

SMMEs	Term and duration	Objectives of partnership	Partnership challenges
<b>250 SMMEs (Please see Annexure A)</b>	<b>April 2022 – March 2023</b>	SMMEs are major drivers of employment within the South African economy. Partnering with them ensures that they can run programs such as Learnerships, Internships and Short programs that provide training and the relevant workplace exposure to youth. These partnerships ensure that employees of these SMMEs are also afforded opportunities for training, thus, making these organisations to remain competitive and sustainable. These partnerships are about establishing requisite capability and skills within South Africa's SMMEs, this will translate to economic benefits whereby SMMEs will be able to support government in the ICT space and by so doing, generate revenue and create employment within the unemployed youth, which is the ultimate goal.	It has been observed that not all lead employers are able to absorb learners at the end of the learning programme, which is a challenge when pushing the principle of sustainability and impact. The scale of operations often does not permit learners to get the proper workplace exposure that they need. Some SMMEs also do not arrange the necessary host employers to host learners if they themselves do not have capacity to host the learners.

<sup>1</sup> MICT SETA Commitment Registers, 2022

<sup>2</sup> MICT SETA Commitment Registers, 2022

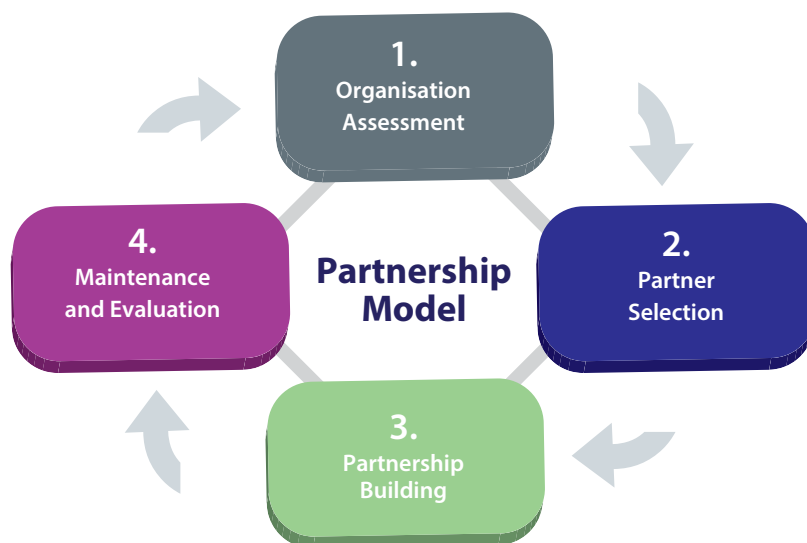


**Table 19: Partnerships with Industry Vendors to Map Qualifications**

Industry vendor	Term and duration	Objectives of partnership	Partnership challenges
QCTO	April 2012 – December 2023	The objective of the partnership is to develop occupational qualifications. The value lies in the development of occupational qualifications to ensure that the system is more responsive to labour-market skills needs.	There is consistent change in the requirements for qualifications realignment and development with a lack of formal communication and capacitation on the shifts. From a quality assurance perspective, accreditation for occupational qualifications and the roles and responsibilities have not been clearly defined which impacts on the SETAs ability to plan for required resources and the accompanying budget. Moreover, this also creates a challenge as the SETA is unable to communicate the changes in requirements to stakeholders, which results in confusion and frustration.

#### 4.2.5 Partnerships that are working successfully

Provision of exposure to relevant training and employment opportunities facilitates learners' transition into the labour market. The model that the SETA uses across all partnerships to ensure successful outcomes are based on collaborative efforts between the SETA and the sector. It begins with the identification of the right partnerships, delineation of the roles and responsibilities for both parties and the maintenance of constant and open communication in order to mitigate potential risks that can impede the achievement of intended objectives. The figure below depicts the SETA partnership model.

**Figure 20: MICT SETA partnership model**

## SETA Partnerships *(continued)*

### 4.2 An analysis of existing SETA partnerships *(continued)*

#### 4.2.5 Partnerships that are working successfully *(continued)*

One of the successful partnerships based on this model is that between the MICT SETA and the South African Mobile Devices Distributors and Repairs Association (SAMDDRA). Through this partnership young South Africans were afforded the opportunity to participate in a phone repairs skills programme which saw 61 learners successfully completing and graduating from the programme. The key value of this partnership was that it recognised the skills gap that exists in townships, where the cell phone repair market belongs more to foreign nationals than South Africans, therefore, blocking the skills transfer to unemployed youth in South Africa. This partnership also recognised the important element of reskilling. Another successful partnership is that with Solly Wood SA which saw 20 interns completing an internship in Film & TV Production, this partnership also included Entrepreneurship training done by the National Youth Development Agency.

### 4.3 Partnerships that are not working well

TVET colleges in rural areas are lacking in skilled lecturers, infrastructure, and alternative centres of excellence. Thus, TVET colleges may at times lack delivery capacity, which impacts negatively on the timeous implementation of programmes. The challenge with universities is often an administrative one of excessive deliberation on and reviewing of SLAs that may result in delays with the implementation of programmes. Partnership challenges with employers are often rooted in employers delegating to training providers who are not able to deliver on the mandate of the SETA. However, the SETA in mitigation to this, has responded to some of the key outcomes as proposed by the NSDP, specifically outcome 5 on promoting the growth of the public college system, this is also in alignment to the ERRP interventions.

### 4.4 Planned partnerships

The following table highlights the SETA's planned partnerships.

**Table 20: MICT SETA's Planned partnerships<sup>3</sup>**

Industry partner	Objectives of partnership
<b>Department of Science and Technology</b>	These are Skills Programme partnerships aimed at provision of new technology and innovation skillsets, particularly in relation to 4IR, while at the same time exposing beneficiaries to job opportunities within and beyond the MICT Sector. They are about ensuring that beneficiaries gather innovative skills to compete globally. These partnerships prepare beneficiaries for 4IR, effectively propelling them into innovative environments and exposing them to employment opportunities at both national and international levels.
<b>CSIR</b>	
<b>CHIETA</b>	
<b>WRSETA</b>	
<b>NEMISA</b>	These partnerships aim to expose young emerging professionals, especially from disadvantaged backgrounds to workplace experience. It is about helping them gain skills that can be applied to future jobs. The value of these partnership lies in enhancing skills development, knowledge, and experience, with the potential to reduce high rate of unemployment within the ICT environment by making unemployed graduates employable.
<b>Department of Planning Monitoring and Evaluation</b>	

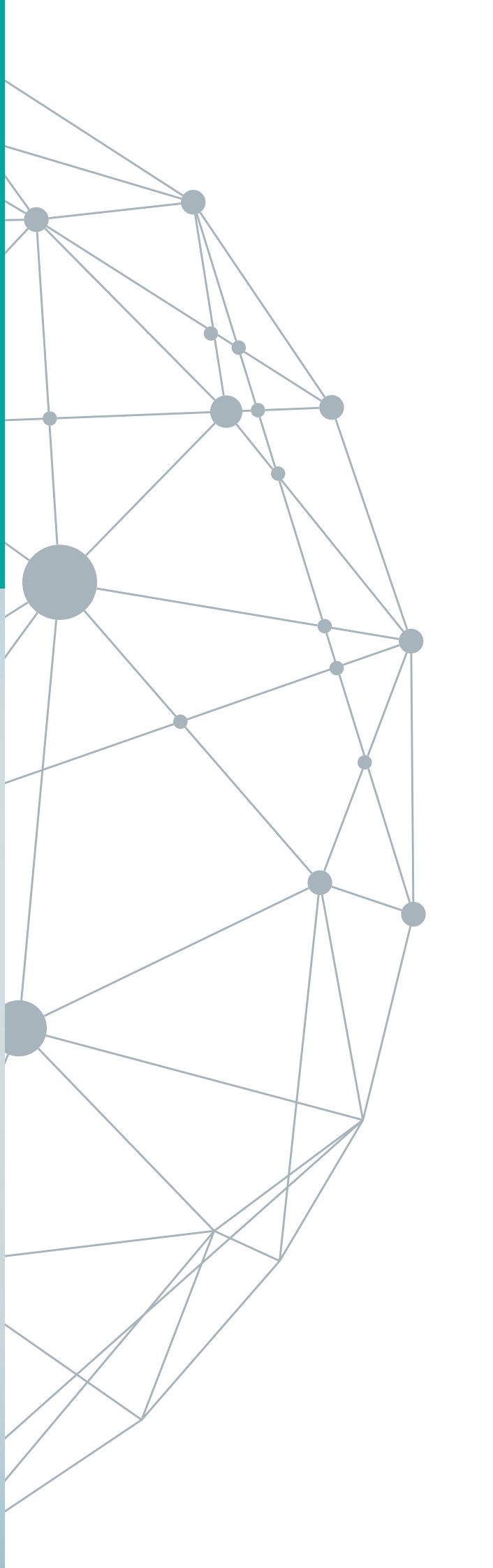
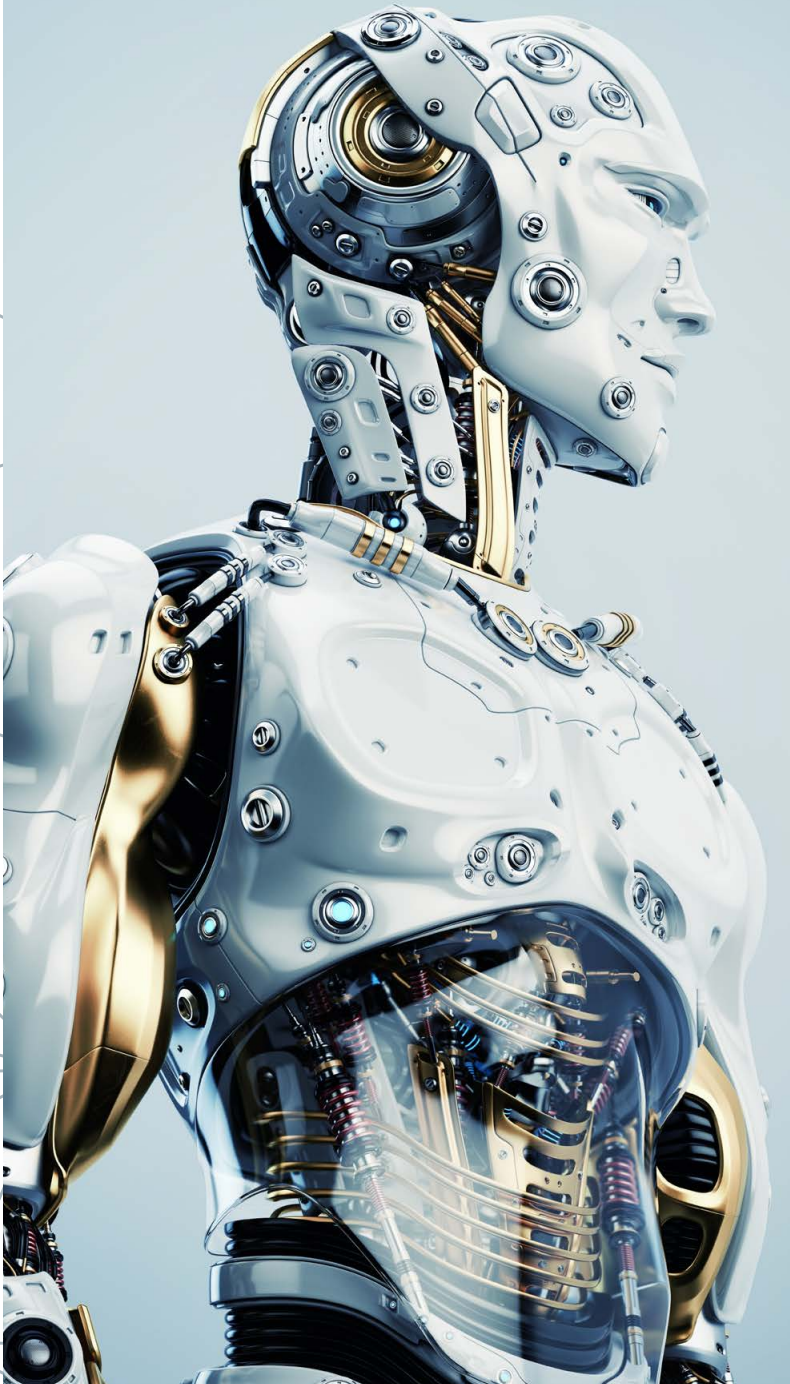
<sup>3</sup> MICT SETA Commitment Registers, 2022



## 4.5 Conclusion

The partnerships highlighted above are essential for the successful advancement of skills development. The SETA understands that these partnerships should be undertaken with priorities in mind, specifically those outlined in the NSDP, ERRP and ERRP Skills strategy, all of which have the intended goal to contribute to the NDP vision 2030. Through these partnerships, the SETA will continue to build capacity and ensure efficient and effective implementation. Transformational imperatives will continue to be a priority – these include race, gender, geography and people with disabilities. Through these partnerships, the SETA will continue to increase the participation of previously disadvantaged people, especially in rural areas. The partnerships highlighted above show that the MICT SETA is a reflective organisation which has learnt to prioritise quantifiable public goals and stakeholder engagement, thus ensuring transparency and long-term planning.

# CHAPTER 5: SETA MONITORING AND EVALUATION





## SETA Monitoring and Evaluation

### 5. Introduction

The MICT SETA considers itself a reflective organisation, applying the results-based approach to Monitoring and Evaluation, which is intended to aid decision-making through credible, reliable, and useful information generated from monitoring reports. This approach increases transparency and accountability allowing skills development interventions to complement each other to achieve the outcomes of the National Skills Development Plan 2030 and the broader goals of the National Development Plan (NDP) 2030. Therefore this includes the M&E of the design, relevance, and implementation of the MICT SETA programmes and strategies to identify the factors that contribute to successful skills development interventions and challenges that should be avoided in future interventions. This Chapter reflects on MICT SETA's approach to M&E, with a focus on the overall organisational performance including the three core programmes, which are the Sector Skills Planning (SSP), Learning Programmes (LP) and Education and Training Quality Assurance (ETQA). It will reflect on the previous financial year's strategic priorities and assess the extent to which those priorities were addressed. It will also identify the mechanisms that are in place to address priorities that were not achieved in the previous financial year.

### 5.1 Sector skills planning reflections

#### 5.1.1 SETA's approach to monitoring and evaluation

The MICT SETA has dedicated efforts to establish a meaningful M&E Division in an incremental fashion which will see the staff compliment steadily increasing overtime. In the main, the division oversees the overall performance of the SETA on the implementation of its programmes over time and initiatives as well as reporting thereon. The concept of monitoring is defined as a continuous function that uses the systematic collection of data on specified indicators to provide management and the main stakeholders the extent of progress and achievement of objectives (OECD in Kusek & Risk, 2004:121). Evaluation on the other hand is understood as the systematic and objective assessment of an ongoing or completed project, program or policy including its design, implementation results (OECD in Kusek & Rist, 2004). The illustration below describes the model that is applied by the MICT SETA in assessing the achievement of the outcomes and intended outcome. The model acknowledges management of risks at every level of the logic model.

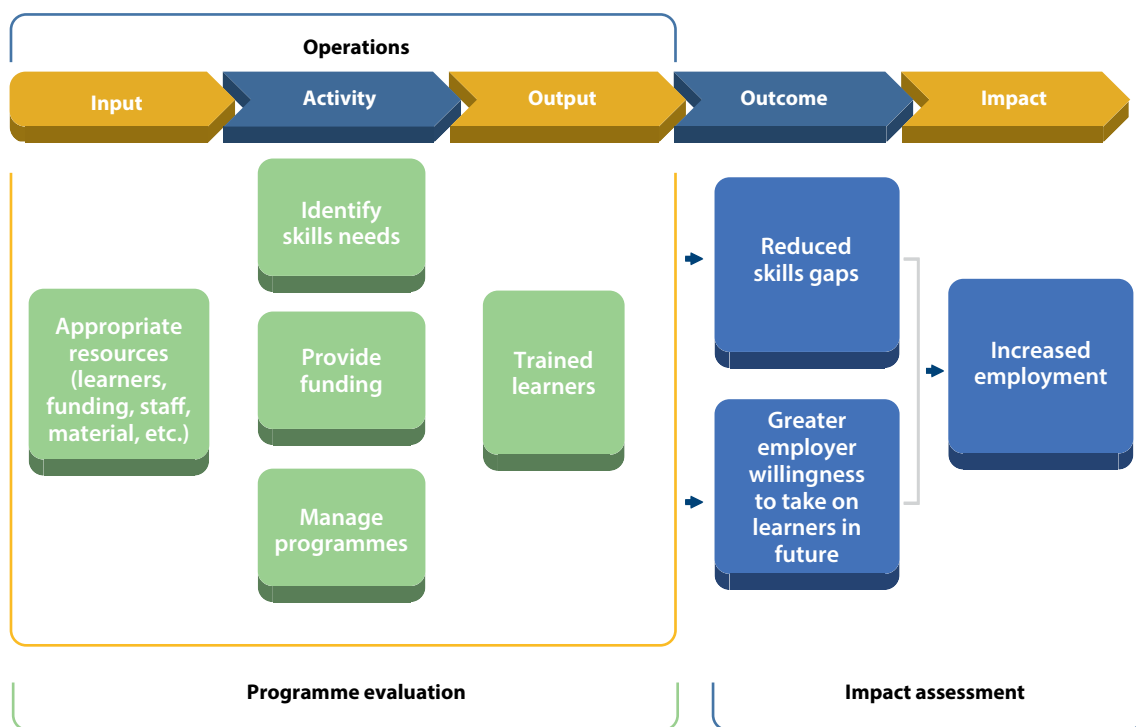
## SETA Monitoring and Evaluation *(continued)*

### 5. Introduction *(continued)*

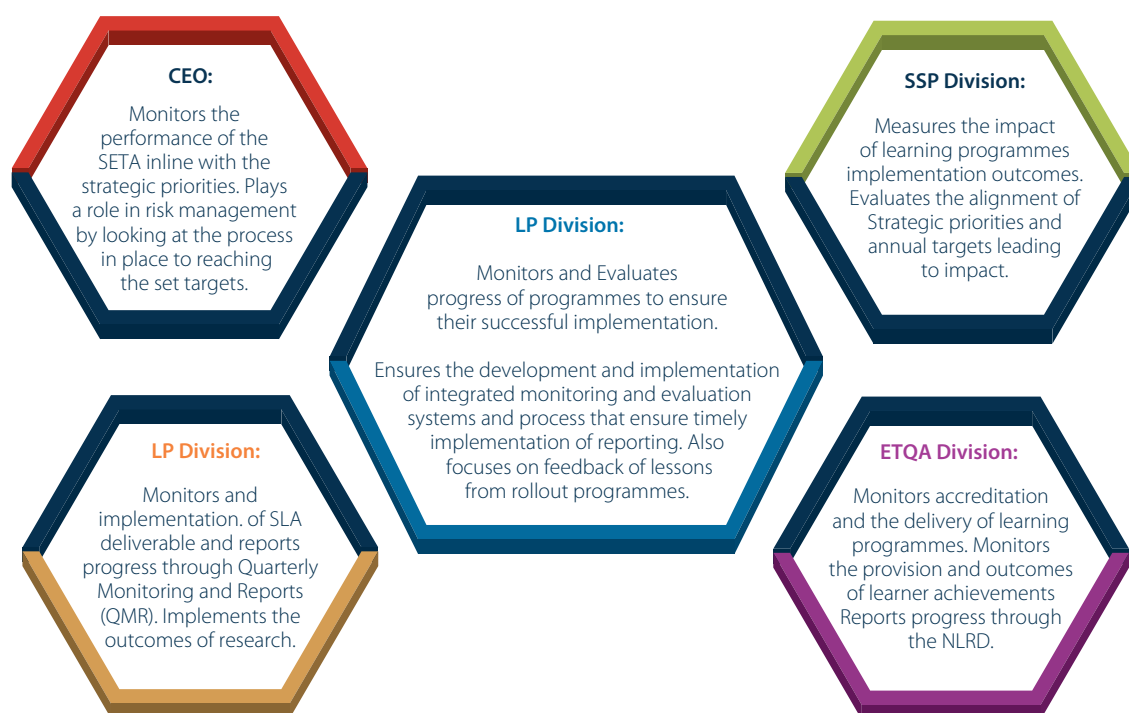
#### 5.1 Sector skills planning reflections *(continued)*

##### 5.1.1 SETA's approach to monitoring and evaluation *(continued)*

**Figure 21: Risk informed monitoring and evaluation model**



Understanding that Risk Management plays a key role in organisational success, the SETA uses the Risk Management Strategy across all its core and support functions. Strategic and operational risks are identified during the planning process and mitigating measures are monitored and reported on by relevant programmes. It is about controlling as much as possible on what might affect the organisation and act proactively rather than reactively. Monitoring is an integral part of the risk management decision making processes, meaning that every step of the risk management process may be related to monitoring. Figure 27 below is a depiction of the SETA's approach to M&E.

**Figure 22: MICT SETA's Approach to Monitoring and Evaluation**

The CEO's Office plays an oversight monitoring role, which goes hand in hand with the principles of risk management. This means that it monitors the organisation against its priority targets by looking at internal and external risks that may delay the organisation in achieving its targets. The governance role played by this office is premised on the understanding that without proper risk management, the MICT SETA will not be able to achieve its goals for the future. There is thus an inter-relationship between all the divisions, with the SSP division and the M&E division working closely with the CEO's office to define measurable strategic outcomes for the SETA.

The **SSP Division** is responsible for the research and strategic planning function in the organisation. The division ensures the alignment of the three strategic documents: Sector Skills Plan, Strategic Plan, and Annual Performance Plan. The division also develops the organisational operational plan.

The recently established **M&E Division** ensures a more systematic and objective approach towards the monitoring and attainment of outcomes and the assessment of their impact, it plays the role of evaluating selected programmes at regular intervals to ensure their successful implementation, and reports on lessons learnt from the rollout of the programmes. The division is also expected to measure the impact of learning programmes implementation outcomes. This is done through the annual tracer and Impact (medium to long-term) studies, which were previously done by the SSP division but will, since the establishment of the M&E division, be done by the M&E division from the 2023/24 financial year.

The **LP Division** implements the outcomes of research (Sectoral Priority Occupations List). It monitors the implementation of deliverables and tracks progress against targets outlined in the Service Level Agreement through Quarterly Monitoring Reports (QMR) submitted to DHET.

The **ETQA Division** monitors the provision and the outcomes of learner achievements, culminating in certification. Other monitoring functions performed by the ETQA include monitoring of accreditation, the delivery of learning programmes, learning outcomes of learner achievements, verification processes and reporting through the NLRD.



## SETA Monitoring and Evaluation *(continued)*

### 5. Introduction *(continued)*

#### 5.2 Monitoring and evaluation data to support research and planning

The following table demonstrates the data used by the three core divisions and the CEO's office:

**Table 21: Data used by three core divisions**

Division	Monitoring and evaluation data
<b>CEO's Office</b>	Divisional Management Committee (MANCO) reports Risk Management Quarterly reports Internal Audit Review Reports
<b>Sector Skills Planning</b>	Workplace Skills Planning/Annual Training Reports (WSPs/ATRs) Learning Programmes Impact Study reports
<b>M&amp;E division</b>	Quarterly Monitoring Reports (QMR), Fact file reports Divisional Management Committee (MANCO) reports Learning Programmes Impact Study reports
<b>Learning Programmes Division</b>	Quarterly Monitoring Reports (QMR) Learner Placement reports
<b>Education, Training and Quality Assurance division</b>	Quality Assurance on delivery of learning outcomes Accreditation/Re-accreditation reports

The monitoring data is submitted to the CEO's office through the M&E Division by all programmes. More importantly, the performance data generated from the three core divisions is used for strategic planning and adjustment are made where risks are identified. The data is used to identify risks, so that strategies may be conceived and executed to guard against these risks. Through data submitted, management identifies and prioritises critical risks that may have an adverse impact on the SETA.

Monitoring data from the LP and ETQA divisions is submitted to the M&E division for verification, analysis and reporting. The LPD submits QMR reports to the SSP division to undertake Tracer and Impact studies, and the ETQA data is used in research documents such as the SSP – an example of this data is the NLRD data. These studies help the SETA to determine if the programmes implemented are producing the intended results. Learning from past implementations, the SETA prepares mitigation strategies for future implementation. Moreover, ETQA monitors the relevance of qualifications and works with the Quality Council for Trades & Occupations (QCTO) in this regard. This exercise of reporting complements the QMR produced by the LPD, as it allows the SETA to distinguish which qualifications are relevant, thus informing the SETA's funding priorities for qualifications.

#### 5.3 Extent to which previous strategic priorities were addressed

In the previous financial year, the MICT SETA had six strategic priority areas aligned to the both the NSDP and ERRP. These were linked to the targets of the SETA's Strategic Plan and expressed in the Annual Performance Plan. The table below highlights the status of implementation of these strategic priority areas:

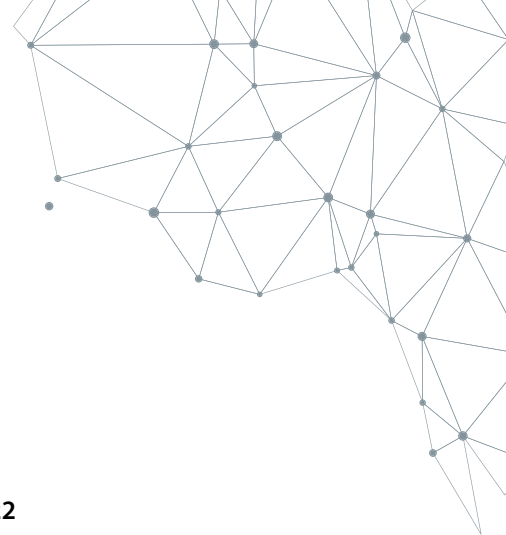


Table 22: Status of implementation of strategic priority areas for 2021/22

Strategic priority	ERRP intervention	Status of implementation
<b>1. Support the sustainability and growth of SMMEs, Entrepreneurship, Cooperatives and community-based organisations.</b>	<b>Intervention six:</b> Supporting entrepreneurship and innovation.	In implementing this strategic priority, the SETA funded 802 beneficiaries in SMMEs, Entrepreneurship, Cooperatives and community-based organisations. This was to create skills development programmes that are accessible to the aforementioned beneficiaries. This achievement is a clear indication that there is a high demand in the sector to implement these programmes. It was noted that small companies have difficulty in meeting requirements for learning programmes implementation, the aim was to create a model in which there are key partnerships where large companies mentor and provide incubator opportunities to smaller less well-established businesses. This priority responded to the NSDP outcome 6, which is aimed at providing support to SMMEs. Even though there were successful areas of implementation with regards to this strategic priority, there was poor participation by the industry to train young people on entrepreneurship programmes which resulted a partial achievement of this target.
<b>2. Ensure good corporate governance and a productive workforce.</b>	N/A	This strategic priority action was realised to focus on MICT SETA internal control systems and processes for effective corporate governance. Ensuring the elimination of fraud and corruption by putting in place effective fraud management plan strategies and policies as part of Risk Management. This priority has been partially achieved, with 1 irregular Expenditure identified on 1 of 99 procurements.
<b>3. Increase and improve labour market information that accurately identifies occupations in high demand.</b>	<b>Intervention one:</b> Embedding skills planning into sectoral processes	The SETA continues to ensure that the labour market information signalling the demand and supply of skills is thoroughly triangulated to improve the trustworthiness of data used for skills planning purposes. This was achieved through a systematic and in-depth research in collaboration with industry bodies, universities, and acclaimed research institutions. There were strategic career guidance initiatives implemented by the SETA in partnership with industry and various learning institutions in both the rural and urban areas. The total of 3 329 career guide distribution was mainly through various online platforms. The targeted audience were unemployed learners and those already in employment seeking to progress to identified occupational shortages and skills gaps to ensure meaningful and sustainable employment. The SETA has achieved this target.

## SETA Monitoring and Evaluation *(continued)*

### 5. Introduction *(continued)*

#### 5.3 Extent to which previous strategic priorities were addressed *(continued)*

Table 22: Status of implementation of strategic priority areas for 2021/22 *(continued)*

Strategic priority	ERRP intervention	Status of implementation
<b>4. Increase focused skills development interventions for rural and marginalised communities to ensure inclusivity</b>	<b>Intervention four:</b> Access to targeted skills programmes Intervention three: Increased access to programmes resulting in qualifications in priority sectors.	The SETA implemented 191 rural development projects in the 2021/22 financial year, overachieving by 151 programmes. This level of achievement is attributed to the high demand by stakeholders to implement programmes in rural areas. The SETA's implementation in this aspect is linked to its rural strategy and to the NSDP outcome 8, which is aimed at increasing access to occupationally directed programmes for rural and previously disadvantaged communities (including townships).
<b>5. Increase access to, and delivery of industry and occupationally directed priority programmes and work placements.</b>	<b>Intervention four:</b> Access to targeted skills programmes	With this strategic priority action, the SETA had committed to the development of skills that enable 4IR occupations and specialisations such as network and systems engineering and cybersecurity specialists. Through its implementation in this aspect, the SETA has successfully achieved this priority with 571 as its final reach, over achieving by 37. This can be attributed to high enrollments in the financial year and the collaboration with the industry. This implementation was also addressing the NSDP outcome 1, 2 and 8.
<b>6. Improve the quality of education to address programmes in high demand within the MICT sector.</b>	<b>Intervention one:</b> Embedding skills planning into sectoral processes	The SETA has been successful in addressing this strategic priority, the focus being on the identification and development of occupational qualifications through the QCTO for occupations in high demand in consultation with the sector. Moreover, putting in place mechanisms to prioritise 4IR related qualifications, the SETA has identified 33 4IR qualifications which have all been approved by the QCTO in the 2021/22 period.



Strategic priority	ERRP intervention	Status of implementation
<b>7. Enablement of the Fourth Industrial Revolution (4IR)</b>	<b>Intervention one:</b> Embedding skills planning into sectoral processes	The SETA has successfully achieved this priority through a systematic and in-depth research in collaboration with industry bodies, universities, and acclaimed research institutions. Through its implementation it was able to fulfil the objective of the NSDP outcome 1, which calls for the identification and increase in the production of occupations in demand (examples of which include Cloud Architects in the Cloud Computing space and AI Specialists in the Artificial Intelligence arena). Moreover, the identified and the developed 4IR qualifications are an indication that the SETA is moving in the right direction to respond to the needs of the sector
<b>8. Enable the growth of the public college system through sectoral partnerships in the delivery of learning interventions.</b>	<b>Intervention ten:</b> Strengthening the post-school education and training system	The SETA identified TVETs with the potential for meaningful collaboration. These partnerships have recognised some of the TVETs as Centres of Specialisation, linking them with industry and ensuring that programmes offered are in alignment with identified skills gaps for ease of learner placement on programmes such as WIL. To date, the SETA has established 116 partnerships with TVET, HET and CET colleges. Furthermore, 12 SETA offices were established and maintained.

The status of achievement of the priorities, is evident from the table above that the SETA committed itself to the implementation of its key strategic priority areas. The MICT SETA ensured that the above-mentioned key strategic priorities inter-linked with its key strategic outcomes, that all these priority areas were integrated with performance indicators and targets, enabling measuring and reporting on their achievement on a regular basis. In essence, the key strategic priorities were captured in the Strategic Plan and Annual Performance Plan which forms the basis for implementation. The SETA has met most its targets with few partially achieved targets relating to the delivery of industry and occupationally directed priority programmes.

## 5.4 Plan of action

### 5.4.1 Mechanisms that need to be in place to address key Strategic Priority Areas

M&E is important for organisations such as the MICT SETA to assess the extent to which its programmes and initiatives yield the intended results and impacts. To ensure that the entire organisation sees the M&E function as a true value-add to the core business in terms of evidence-based decision making, the SETA will strengthen data credibility and integrity at implementation level to improve the quality of monitoring data generated. The MICT SETA, will also capitalise on the benefits offered by a dedicated M&E Division including being able to track, analyse and report on relevant information and data throughout programme implementation and in doing so, creating greater transparency and accountability. M&E frameworks will be developed, which will ensure that employees have a clear understanding of their roles in the M&E process. This be complimented by capacity building workshops on the framework to ensure that it is embedded in the organisation.

## SETA Monitoring and Evaluation *(continued)*

### 5. Introduction *(continued)*

#### 5.4 Plan of action *(continued)*

##### 5.4.2 Measures to ensure current priorities are achieved

M&E and Strategic Management should not be viewed as two separate functions, as they are both concerned with supporting fundamental decisions and actions which shape and guide the organisation. The SETA will establish innovative and strategic partnerships with public institutions, centres of specialisation, SMMEs and industry at large for maximum impact on sectoral growth and sustainability. Key Priority Areas will be aligned to the Annual Performance Plan, which could translate into an SLA between the MICT SETA and DHET.

#### 5.5 Conclusion

This chapter highlighted the SETA's approach to M&E and demonstrated how data in relation to the concept is applied, created an understanding of how decisions are made and established the overall contributions of the M&E division in strategic decision making. The chapter also highlighted the SETA's implementation plans with regards to the NSDP and ERRP interventions. From the above it is apparent that the MICT SETA is moving in the right direction and that there is a clear alignment of its priorities to the national plans. With the establishment of the M&E unit, the SETA will now be able to fully monitor performance and enhance reporting processes to ensure accuracy and timely reporting.



## **CHAPTER 6: STRATEGIC SKILLS PRIORITY ACTIONS**



## Strategic Skills Priority Actions

### 6.1 Introduction

This chapter summarises the key findings that have emerged from the research and which will guide how the SETA responds in the 2023/24 financial year in its alignment of priorities or strategic outcomes in response to the research evidence presented. This chapter is informed by the five preceding chapters, which are in turn informed by consultations and literature review. The recommended priority actions were drafted with strategic input from MICT SETA senior management and policy directives such as the NSDP, the ERRP and its supporting Skills Strategy.

### 6.2 Key skills findings from previous chapters

In **Chapter 1** it was outlined that the MICT sector the MICT Sector is made up of 32 985 employers, which are spread across five sub-sectors, this represents a 7% decrease from the 35 569 in the previous financial year. From the current employer base, only 8 896 employers are levy payers showing a slight decrease from 9 093 in the previous financial year. The MICT sector experienced an increase in the number of employees recording 228 990 in 2022. The largest proportion (54%) of employees are working in the Information and Technology sub-sector, followed by 28% working in the Telecommunications, 9% in the electronics sub-sector. The sub-sector with the lowest number of employees is advertising accounting for 4% and Film, and Electronic Media accounting for 5%. The Transport, Storage and Communication sub-sector is rated in the top five of economic sectors that recorded GDP growth in the 2021 financial year. The South Africa's MICT sector is set to chart a strong recovery in 2022, but structural changes may affect growth in various sub-sectors.

**Chapter 2** illustrated that the MICT sector is dynamic and in constant technological flux. Thirteen 4IR technologies were studied as drivers of change in the sector, with Artificial Intelligence (AI), Cloud Computing, Big Data, 5G and the Internet of Things (IoT) coming up strongly as the biggest change drivers. From the drivers of change, the challenges and implications for skills development, with a focus on change brought about by the fourth industrial revolution (4IR), were identified. South Africa still lags behind in terms of adopting 4IR technologies and a major contributor to this is the lack of appropriate qualifications in 4IR related fields. Thus, 4IR introduces new opportunities for training as new hardware and software products appearing on the market increases the need for the upgrading of courses. Chapter 2 was also successful in documenting converging technologies that will entirely transform the sector in the next five years.

**Chapter 3** highlighted the past three years' predominant skills gaps to be Communication skills, Leadership skills, Technical skills, Project management skills, and certified skills (CompTIA A+, Network+, MCSA, MCSE, Azure, CISCO, etc.). The most recent additions are Design and Critical Thinking skills. The MICT sector priority occupations list makes up 14% of the national priority skills list that was published on the Department of Higher Education and Training (DHET) website in early February 2022. The interventions identified in the sector priority occupations list are pitched at a higher level since the sector is very competitive and is internally benchmarked thus most of the proposed interventions are not NQF aligned mainly because the industry favours vendor qualifications as the panacea for the ever-changing environment.

**Chapter 4** identified partnerships between the SETA and various institutions to advance sector development and growth. These partnerships are structured into the following typologies: Partnerships with TVET colleges; partnerships with Universities; partnerships for Special Projects; partnerships with Industry Vendors; partnerships with SMMEs; and partnerships with Research. There are a number of successful partnerships that were identified, as well those that come with challenges.

**Chapter 5** explored the SETA's M&E approach and articulated the functions of the various divisions of the SETA in M&E. Although all three core divisions have, to some extent, a monitoring function, the SSP and the M&E will continue to collaborate on evaluations both from a performance and a research perspective. M&E is also intrinsically linked to Risk Management as handled by the Office of the CEO. A plan of action was also presented on how the SETA intends to achieve its priorities.



### 6.3 Recommended priority actions

The following sets out the proposed broad skills development objectives for the sector. These areas are intended to include efforts made broadly by MICT sector stakeholders

**Table 23: Recommended Priority Actions for the 2023/24 financial year**

NSDP outcomes	ERRP interventions	ERRP skills strategy interventions	MICT SETA 2023/24 outcomes/priority areas	Description of MICT SETA 2023/24 outcomes/priority areas
<b>Outcome 1:</b> Identify and increase production of occupations in high demand	<b>Intervention one:</b> Embedding skills planning into sectoral processes	<b>Intervention eight:</b> Embed skills planning in economic planning processes and vice versa	<b>Credible labour market information that accurately identifies occupations in high demand.</b>	<p>The MICT SETA will ensure that the labour market information signalling the demand and supply of skills is thoroughly triangulated in order to improve the trustworthiness of data used for skills planning purposes. Of equal importance will be the management and dissemination of research outcomes on occupations in high demand and incremental building of career guidance in partnership with industry and various learning institutions. The idea is for skills planning to incorporate issues pertaining to skills supply and demand, and for skills planning to be demand-led and responsive to the needs of the economy. In this way, skills are part of a package of industrial interventions, together with incentives, trade agreements and other interventions, instead of a separate or parallel 'add on'. Furthermore, in response to the change brought about by 4IR, the SETA will provide support to enable the Sector to play a key role in the development of technologies and products related to 4IR.</p>
<b>Outcome 8:</b> Support career development services			<b>Enablement of the Fourth Industrial Revolution (4IR).</b>	



## Strategic Skills Priority Actions *(continued)*

### 6.3 Recommended priority actions *(continued)*

NSDP outcomes	ERRP interventions	ERRP skills strategy interventions	MICT SETA 2023/24 outcomes/priority areas	Description of MICT SETA 2023/24 outcomes/priority areas
<b>Outcome 2:</b> Linking education and the workplace  <b>Outcome 7:</b> Encourage and support worker initiated training	<b>Intervention four:</b> Access to targeted skills programmes	<b>Intervention two:</b> Enable the provision of targeted skills programmes	<b>Increased access to, and delivery on occupationally directed priority programmes that link education and the workplace.</b>	The SETA will set realistic targets in collaboration with industry, ensure implementation through the allocation of discretionary grants and monitor delivery of Service Level Agreement deliverables as a way of addressing sectoral occupational shortages and skills gaps. This will prioritise the development of skills that enable 4IR occupations and specialisations such as network and systems engineering and cybersecurity specialists.



NSDP outcomes	ERRP interventions	ERRP skills strategy interventions	MICT SETA 2023/24 outcomes/priority areas	Description of MICT SETA 2023/24 outcomes/priority areas
<b>Outcome 3:</b> Improving the level of skills in the South African workforce	<b>Intervention seven:</b> Retraining/up-skilling of employees to preserve jobs.	<b>Intervention one:</b> Expand the provisioning of short skills programmes	<b>Support initiatives that prioritise the provision of agile, flexible and demand-led skills development programmes, retraining/upskilling being a priority</b>	The SETA, through this priority/outcome, will focus on the provisioning of short skills programmes that respond directly to the skills gaps identified in this research. The emphasis is on those that are driven by industry, rather than supply. Through this priority the SETA will ensure that there is provision of agile, flexible and demand-led skills development programmes, special focus will be on employed persons who require reskilling and or/ upskilling, new entrants to the labour market who may require work readiness, foundational, digital and other types of short skills programmes to improve their chances of employment (including self-employment and other unemployed persons whose chances of employment (employability) need to be improved (including for self-employment).

## Strategic Skills Priority Actions *(continued)*

### 6.3 Recommended priority actions *(continued)*

NSDP outcomes	ERRP interventions	ERRP skills strategy interventions	MICT SETA 2023/24 outcomes/priority areas	Description of MICT SETA 2023/24 outcomes/priority areas
<b>Outcome 4:</b> Increase access to occupationally directed programmes	<b>Intervention four:</b> Access to targeted skills programmes  <b>Intervention three:</b> Increased access to programmes resulting in qualifications in priority sectors.	<b>Intervention three:</b> Expand the provisioning of WBL opportunities  <b>Intervention four:</b> Increase enrollments in qualification-based programmes that respond to the occupational shortages identified in this strategy	<b>Increased and focused skills development for rural and marginalised communities to ensure inclusivity through technology skills development.</b>	The MICT SETA's rural strategy, linked to NSDP outcome 8, is aimed at increasing access to occupationally directed programmes for rural and previously disadvantaged communities (including townships). The MICT SETA strategy aims to respond to the President's Youth Employment Service, which is known as the "YES initiative". It aims to address the most pressing socio-economic challenges in the country, particularly around poverty and unemployment among the youth. This priority intends to scope the skills development needs and priorities of rural communities, provide career and vocational guidance.



NSDP outcomes	ERRP interventions	ERRP skills strategy interventions	MICT SETA 2023/24 outcomes/priority areas	Description of MICT SETA 2023/24 outcomes/priority areas
<b>Outcome 5:</b> Support the growth of the public college system	<b>Intervention ten:</b> Strengthening the post-school education and training system	<b>Intervention ten:</b> Strengthen the PSET system	<b>Support growth of the public college system through sectoral partnerships in the delivery of learning interventions.</b>	The SETA will identify TVETs with the potential for meaningful collaboration and enter into partnerships with them. These partnerships will recognise some of the TVETs as Centres of Specialisation, linking them with industry and ensuring that programmes offered are aligned to identify skills gaps for ease of learner placement on programmes such as WIL. Furthermore, the SETA will award bursaries to college lecturers and training opportunities on curriculum related studies to college managers for their continuous development and for them to be adept with industry technological advancements. The SETA will continue to establish offices in TVET colleges to ensure accessibility and reach, ensuring that those TVETs are duly accredited to offer the SETA's high-demand occupational qualifications. In all this, the development of skills that enable 4IR occupations and specialisations will be the main focus.

## Strategic Skills Priority Actions *(continued)*

### 6.3 Recommended priority actions *(continued)*

NSDP outcomes	ERRP interventions	ERRP skills strategy interventions	MICT SETA 2023/24 outcomes/priority areas	Description of MICT SETA 2023/24 outcomes/priority areas
<b>Outcome 6:</b> Skills development support for entrepreneurship and cooperative development	<b>Intervention six:</b> Supporting entrepreneurship and innovation.	<b>Intervention seven:</b> Strengthen entrepreneurship development programmes	<b>Support for SMMEs, Entrepreneurship and community-based organisations, particularly in relation to 4IR cross-sectoral partnerships and projects for sustainable growth.</b>	The SETA, through this priority/outcome will focus on the need to provide the skills required for entrepreneurship development in ways that enable entry-level entrepreneurial activities (private and social) through to higher-end enterprises that rely on innovative research and development. Moreover, the focus will be on the skills required to grow income-generating opportunities in local economies through the establishment of private as well as social enterprises. In developing interventions for SMMEs and community-based organisations, the SETA will make considerations such as: The ability of an SMME to obtain funding for skills development.

### 6.4 Measures planned in response to change drivers

The ultimate goal of the MICT SETA is to ensure that all its implementations eventually contribute to the achievement of NDP outcomes regarding skills development. To achieve this, the SETA will align its priorities with the NSDP, ERRP and its Skills strategy as illustrated in table 24, of course this will require close collaboration with various partners to support the achievement of the NDP objectives. Through continued funding of bursaries at research level, the SETA endeavours to propel the sector's innovation system. The MICT SETA strives to be a reliable skills development partner that promotes growth in requisite skills (this is especially important now with the occurrence of COVID-19 and the catalyst effect it is having on the enablement of 4IR). Moreover, the MICT SETA will leverage its partnerships with industry to drive innovative research and offer opportunities to small business, to enable them to play a significant role in the country's manufacturing and technology ecosystem. Most importantly, the focus will be on the skills required to grow income-generating opportunities in local economies through the establishment of private as well as social enterprises. The SETA's efforts in response to the change drivers is set out below:



1. The MICT SETA, through partnerships with various stakeholders, will continue to ensure that skills development occurs in all the corners of all provinces in South Africa. Research will be the foundation of all interventions and will truly guide the SETA to make evidence-informed decisions around skills development. The SETA's strategic plan will emphasise the provision of financial and non-financial support to SMMEs, NGOs, NLPs, and CBOs. Partnerships with stakeholders such as SEDA to encourage incubation, will play a key role in achieving sustainability and growth of small businesses in the sector.
2. The Skills strategy contains ten interventions to ensure the effective implementation of the ERRP. The SETAs, including the MICT SETA, finds expression in six of the interventions. The MICT SETA plans to directly contribute to each of these interventions including:
  - Intervention one: Embedding skills planning into sectoral processes.
  - Intervention three: Increased access to programmes resulting in qualifications in priority sectors.
  - Intervention four: Access to targeted skills programmes
  - Intervention six: Supporting entrepreneurship and innovation.
  - Intervention seven: Retraining/up-skilling of employees to preserve jobs.
  - Intervention ten: Strengthening the post-school education and training system.

These interventions are further supported by the seven interventions of the ERRP support strategy. Out of the ten proposed, table 24 above details how they align to the MICT SETA 2023/24 priority actions. Through both the NSDP and the ERRP priorities adopted, the MICT SETA will introduce and/or emphasise unit standards on soft skills and business management skills for all courses. This is expected to improve learners' employability and entrepreneurship skills.

3. The MICT SETA in collaboration with QCTO will continue to develop and realign qualifications to be 4IR aligned and be future forecasting.
4. The SETA in terms of business continuity, will develop a strategy to anticipate any future major disruptors such as COVID, incubation or mentorship models will be prioritised where larger companies in the sector incubate and/or partner with smaller companies.

## 6.5 Conclusion

The MICT SETA will continue to strive towards the continuous improvement of planning and implementation efforts, as well as the constant monitoring of sector-related changes and developments. From the above it is evident that no legislative framework or mandate can be implemented without affecting another as these plans align to each other and share the overall goal of contributing to the NDP. The MICT SETA priorities in the 2023/24 financial year will be taking into consideration key national priorities, such as the response to NSDP, ERRP and its supporting Skills Strategy, also making 4IR interventions a priority. The priority actions identified in this research find expression in the MICT SETA Strategic Plan and Annual Performance Plan and will serve as a guide for the SETA in support of national and sectoral objectives in the best manner possible.

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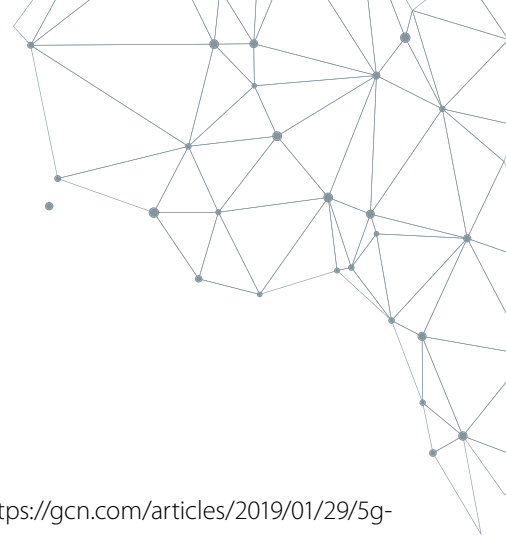
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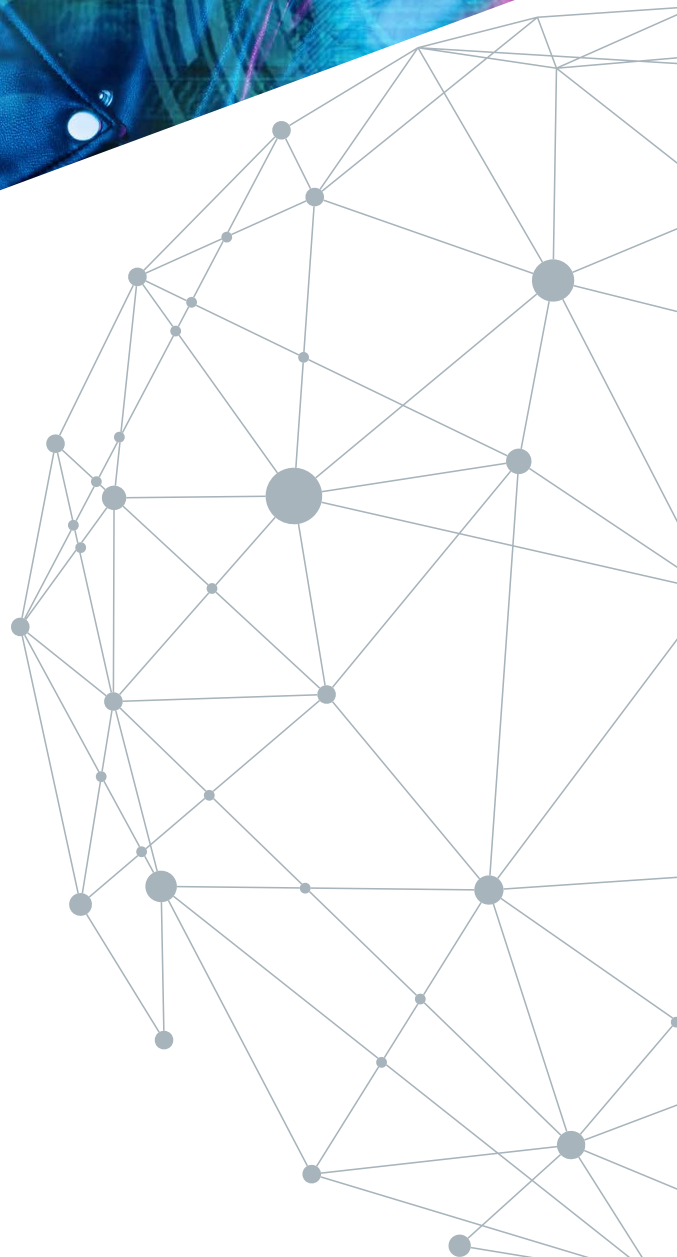
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## **PART 2: STRATEGIC PLAN 2020-2025**



## Accounting Authority Statement



**Mr Simphiwe Thobela**  
Chairperson: MICT SETA Board

I take great pleasure in presenting the Media, Information and Communication Technologies Sector Education and Training Authority (MICT SETA) Strategic Plan Update for the period 1 April 2020 to 31 March 2025. This Plan is guided by the Revised Framework for Strategic Plans and Annual Performance Plans 2020, the Skills Development Act 97 of 1998 as amended, the National Skills Development Plan (NSDP), the South African Economic Reconstruction and Recovery Plan (ERRP) and its supporting Strategy, the National Development Plan 2030, and the Public Finance Management Act (Act 1 of 1999, as amended).

It is quite astonishing that we are at the mid-point of the five-year strategy amidst all the challenges we have faced in the last two years due to the COVID-19 pandemic. For our sector in particular, COVID-19 represented a turning point, supporting both the enormous prospects that exist and the robustness in the adoption of digital technology that helped mitigate the impact. It expedited the trends that were already underway, boosting the use of digital tools and promoting public private collaborations, despite the inequities it also presented. It has been a challenging and inspiring journey to get to where we are. It is also an opportune time to measure our performance mid-way into the five-year strategy period, reflect and identify wins and areas of improvement. The mid-term evaluation of the strategy has allowed us to do that, and I would like to share some of our wins. To date MICT SETA has managed to:

- Enrol over 20,000 learners in various skills development interventions. This includes learnerships, internships, bursaries, and skills programmes for employed and unemployed people.
- Receive accreditation from QCTO for over 35 new qualifications aligned to the 4IR occupations registered with the Department of Higher Education and Training.
- Support over 500 small businesses, 300 cooperatives and civil society organisations inclusive of community-based organisations and non-governmental organisations with skills development support.
- Conceptualise partnerships responsive to the MICT SETA strategic priorities
- Retain over 70% of its employees whilst maintaining a vacancy rate below 15%.

Areas of improvement remain a focal point to ensure efficient delivery of various areas and services. We need to improve our learner completion numbers on all learning interventions. We need to improve stakeholder relations with learners, training providers, skills development providers and industry. We need to automate the organisation further to improve on efficiency.

I would like to extend my gratitude and appreciation of the management team and the incumbent CEO. Under his leadership we have been able to achieve more.

Sincere appreciation to all board members who take the time to make the organisation better.

I, Simphiwe Thobela endorse this strategic plan and commit to its implementation.

**Simphiwe Thobela**  
MICT SETA Board Chairperson

- Improve overall performance significantly during the 2021/222 financial year with 90% of the targets met compared to 2020/21, where the overall organisational performance was 75%.

## Accounting Officer Statement



**Mr Matome Madibana**

Chief Executive Officer (CEO): MICT SETA

I am pleased to present the Media, Information and Communication Technologies Sector Education and Training Authority (MICT SETA) Strategic Plan for the period 1 April 2020 to 31 March 2025. This Plan is informed by the Revised Framework for Strategic Plans and Annual Performance Plans 2020, the Skills Development Act 97 of 1998 as amended, the National Skills Development Plan (NSDP), the Economic Reconstruction and Recovery Plan (ERRP) and its supporting Strategy, the National Development Plan 2030, and the Public Finance Management Act (Act 1 of 1999, as amended).

The MICT sector is an ever changing and evolving sector, fuelled by convergence of technologies often recognised under the concept of the Fourth Industrial Revolution (4IR). For an organisation such as the MICT SETA it becomes critical to streamline operations and, from an informed basis, predict and better respond to the changing needs of the sector, especially as we plan for an uncertain future.

With these changes, resources are increasingly under severe strain and pressure. This prompts the MICT SETA to think outside the normal boundary lines when it comes to strategic, cutting-edge skills development ensuring that there is sustainability in improving the national and international competitiveness of the country. As the newly appointed Chief Executive Officer (CEO) for the MICT SETA, I understand that to respond to national imperatives and to advance the mandate of the SETA in terms of appropriate and much needed skills development interventions, the organisation must be driven to be as reflective as possible,

and proactive in nature. The strategic interventions by the MICT SETA will continue to be cutting-edge to potentially shape the future of work, bridge the digital divide, and spark economic development.

Rigorous research will always be the foundation on which the SETA makes its strategic decisions, as through research the SETA is better positioned to identify emerging occupations, occupational shortages and skills gaps in the sector. The more confidence we have in the accuracy of the identified Sectoral Priority Occupations, the more assured we are of the direction the SETA is taking in its Strategic Plan. It will always be a priority for the SETA to work with sector stakeholders, as through these collaborations the mandate of skills development will be realised.

As we pass through the mid-term of this strategic planning period, it is crucial to reflect on the key achievements to date. In achieving the impact statement, the MICT SETA, through its SP 2020 -2025 and APPs, has pursued several outcomes which are aligned with those national outcomes identified in the NSDP 2030 and the broader goals of the NDP 2030. These outcomes are implemented through different SETA Programmes in line with the stated mandate of the organisation:

- The MICT SETA continues to advance digital acceleration by providing services and solutions in the field of information and communications technology. There have been some significant strides made by the SETA in this regard.
- Over 800 small businesses and cooperatives were supported with skills development interventions. In addition, over 200 rural development interventions were implemented.
- In collaboration with the Quality Council for Trades and Occupations (QCTO) 38 occupational qualifications with a 4IR focus were developed.
- The SETA managed to retain over 70% of its employees whilst maintaining vacancy rate below 15%. There is an expanded MICT SETA footprint in other provinces through opening of new offices and maintaining 31 offices across public TVET colleges to date. There is a need to review the organisational structure, to ensure that digital acceleration is supported.



## Accounting Officer Statement *(continued)*

- During the period under review the SETA enrolled over 20 000 learners in various skills development interventions. This included learnerships, internships, bursaries and skills programmes for employed and unemployed people.
- The SETA has supported 13 Centres of Specialisation located within public TVET colleges while over 300 public TVET college lecturers and managers completed development programmes.

In addition, this five-year plan has taken account of the key transformational imperatives of institutional planning for women, the youth and people living with disabilities.

I wish to thank employees, the entire management team for their support during this period and the Board of MICT SETA under the stewardship of the Chairperson, Mr Simphiwe Thobela for the unwavering support and leadership, the broader stakeholder base in its entirety, for effectively implementing much needed learning programmes while others made value adding inputs through various platforms created. The inclusive approach adopted enabled better delivery of the overarching strategy with greater wisdom and foresight, while deliberately steering the organisation on a whole new path in the interest of the people of South Africa.



**Matome Madibana**  
Chief Executive Officer

## Official Sign-off

It is hereby certified that this Strategic Plan:

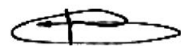
- Was developed by the management of the Media Information and Communication Technologies Sector Education and Training Authority (MICT SETA) under the guidance of the MICT Board and the Department of Higher Education and Training;
- Takes into account all the relevant policies, legislation and other mandates for which the MICT SETA is responsible;
- Accurately reflects the impact and outcomes which the MICT SETA will endeavour to achieve over the period 2020-2025.

**Programme 1:**

Administration

**Mthenjwa Mseleku**

Acting Chief Financial Officer

Signature: 

**Programme 2:**

Sector Skills Planning

**Bontle Mokoena**

Senior Manager: Sector Skills Planning

Signature: 

**Programme 3:**

Learning Programmes

**Ernest Nemugavhini**

Senior Manager: Learning Programmes

Signature: 

**Programme 4:**

ETQA:

**Natalie Nelson**

Senior Manager: ETQA

Signature: 

**Matome Madibana**

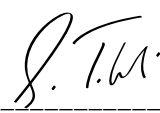
Chief Executive Officer

Signature: 

**Approved by:**

**Simphiwe Thobela:**

Chairperson: Accounting Authority

Signature: 



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# **PART A: MICT SETA MANDATE**



## MICT SETA Mandate

### 1. Constitutional Mandates

The Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) has been duly considered during the development of this Strategic Plan and the MICT SETA will ensure compliance with all sections of the Constitution with specific focus on:

- Promoting and maintaining high standards of ethics;
- Providing service impartially, fairly, equitably and without bias;
- Utilising resources efficiently and effectively;
- Responding to people's needs; the citizens are encouraged to participate in policy-making, and
- Rendering an accountable, transparent, and development-oriented administration.

### Legislative and policy mandates

- Skills Development Act 1998 (Act No 97 of 1998) as amended
- MICT SETA Constitution
- Skills Development Levies Act, 1999 (Act No 09 of 1999)
- Regulations published in the Government Gazette, No. 35940, 03 December 2012 regarding Monies Received by a SETA and Related Matters
- The National Qualifications Framework Act, (Act No. 67 of 2008)
- Public Finance Management Act (Act No 29 of 1999)
- Employment Equity Act, 1998 (Act No 55, 1998)
- Preferential Procurement Policy Framework Act, 2000: Preferential Procurement Regulations, 2017
- Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003)

#### 1.1 The Skills Development Act 1998:

The MICT SETA is established in terms of the Skills Development Act, 1998 (Act No. 97 of 1998, as amended). In contributing to the objectives of this Act, this SETA will support skills development within its sector by:

- Implementing its Sector Skills Plan;
- Promoting Learnerships in each of its sub-sectors;
- Performing the functions of an Education and Training Quality Assurance Body;
- Liaising with the National Skills Authority on skills development matters;
- Concluding a service level agreement with the Director-General of the Department of Higher Education and Training in terms of section 10A of the Act;
- Promoting the national standard established in terms of section 30B of the Act, and
- Submitting budgets, reports and financial information that are required in terms of the Public Finance Management Act, 1999 to the Director-General of the Department of Higher Education and Training.

## MICT SETA Mandate *(continued)*

### 1. Constitutional Mandates *(continued)*

#### 1.2 MICT SETA Constitution

- Further to the SDA mandate outlined above, the MICT SETA Constitution published in Government Gazette no. 35336 of 11 May 2012 commits the SETA to:
- Facilitate the involvement of line-function government departments in SETA activities;
- Promote SMME training to enable them to qualify for public contracts;
- Perform any duties imposed by the Act and to actively pursue concrete measures to achieve the objectives of all applicable Acts.

#### 1.3 The Skills Development Levies Act, 1999:

The Skills Development Levies Act (Act No 09 of 1999) as amended, requires the MICT SETA to use all monies received in terms of the Skills Development Levies Act to administer the activities of the SETA.

##### Funding regulations:

The MICT SETA will comply with Regulations published in the Government Gazette, No. 35940, 3 December 2012 regarding Monies Received by a SETA and Related Matters, when administering all levies received from employers falling within its sector in the following manner:

**Table 1: Grant breakdown**

Total levies received by a SETA	80%
Mandatory grants	20%
Discretionary Grants	49.5%
Administration	10.5%

#### 1.4 The National Qualifications Framework Act

As stated in the National Qualifications Framework Act, (Act No. 67 OF 2008), the objectives of the NQF are to create a single integrated national framework for learning achievements; facilitate access, mobility and progression within education, training and career paths; enhance the quality of education and training; accelerate the redress of past unfair discrimination in education, training and employment opportunities.

#### 1.5 Public Finance Management Act

The Public Finance Management Act (PFMA) (Act No 29 of 1999), requires all public entities to ensure financial prudence and good governance. The MICT SETA as a public entity will ensure that all revenue, expenditure, assets and liabilities entrusted to it are managed efficiently and effectively.



## **1.6 Preferential Procurement Policy Framework Act, 2000:**

Section 217 of the Constitution of the Republic of South Africa states that when an organ of state in the National, Provincial or Local sphere of government, or any other institution identified in national legislation, contracts for goods or services, it must do so in accordance with a system which is fair, equitable, transparent, competitive, and cost-effective. Furthermore, it stipulates the need to implement a Procurement Policy that will provide for categories of preference in the allocation of contracts; and the protection or advancement of persons or categories of persons disadvantaged by unfair discrimination.

## **1.7 Employment Equity Act, 1998**

The main purpose of the Employment Equity Act (Act No 55, 1998), is to achieve equality in the workplace by promoting equal opportunity and fair treatment through the elimination of unfair discrimination, implementing positive measures (affirmative action) to ensure the equitable representation of Black people, women and people with disabilities at all levels in the workplace.

## **1.8 Broad-Based Black Economic Empowerment**

The Broad-Based Black Economic Empowerment (B-BBEE) protocol has an important influence on the MICT sector. The Broad-Based Codes of Good Practice were launched in 2007 and provided a framework for measurement of B-BBEE in terms of the BEE Act 53 of 2003. Although the 2007 codes encouraged voluntary compliance with B-BBEE, the current codes appear to be punitive in nature. The codes, which came into effect in 2015, provide some guidance in dealing with various elements. Skills Development has been classified as a priority element and thus the measurement principles cannot be deviated from, yet the sector (e.g. through a revised ICT charter) can adjust targets and weightings.



## MICT SETA Mandate *(continued)*

### 2. Institutional Policies and Strategies over the Five-Year Planning Period

South Africa's development strategy is underpinned by the National Development Plan (NDP) which challenges the country to achieve sustained levels of economic growth through to 2030. There are a range of 'levers', 'pillars' or policy interventions that are understood to contribute to this planned growth. As an integral part of the South African society, the MICT sector is impacted by various national strategies and plans, and it therefore needs to respond to those by addressing skills development challenges within its context. The government's key planning policies and priorities that impact the MICT sector, a brief description of how each will be provided for, and the implications for the sector are outlined below:

#### 2.1 National Development Plan

The NDP Vision 2030 (November 2011) identifies as one of the core priorities: Reducing unemployment to 6% by 2030. The intention is to increase the number of people in employment from the current 13-14 million to around 24 million in that period. Other objectives include eradicating poverty and reducing inequality. In meeting the objectives of this plan, the MICT has identified the following areas of action to be supported through its learning interventions:

- A larger, more effective innovation system closely aligned with firms that operate in sectors consistent with the growth strategy;
- Support for small businesses through better coordination of relevant agencies, development of finance institutions, and public and private incubators;
- An expanded skills base through better education and vocational training, and
- Business incubation for SMEs generally, and the expansion of business services in particular, as priority actions for growth and development.

The MICT sector is at the centre of the National System of Innovation (NSI) and would thus have to play a leading role in supporting effectiveness and efficiency so that the economy could grow at the requisite levels to achieve NDP objectives. Through continued funding of bursaries at research level, the MICT Seta endeavours to propel the sector's innovation system. Similarly, equal focus will be channelled towards continued support for SMEs through more focused internship and incubation programmes. TVETs will also continue to receive particular attention to ensure expanded technical skills through vocational training.

#### 2.2 NDP Five-Year Implementation Plan: Medium-Term Strategic Framework (MTSF)

The NDP five-year implementation plan promotes the Medium-Term Strategic Framework (MTSF) which is a prioritisation framework to focus the government's efforts on a set of manageable programmes and provides guidance regarding the allocation of resources across all spheres of government. In contributing to the MTSF, the MICT SETA will continue to prioritise specific NDP targets when allocating resources at its disposal.



## 2.3 Monitoring Framework for NDP Five-Year Implementation Plan

The development of an effective monitoring and evaluation framework is crucial for the successful implementation of any programme, particularly for the NDP in this instance. The MICT SETA values the importance of monitoring and evaluation and will continue to use it to assess progress made towards the achievement of targets and to measure impact in the long-term.

## 2.4 Industrial Policy Action Plan (IPAP)

IPAP has identified a number of priority sectors which it aims to support for development in the country. Those that have a direct link with the MICT sector include:

- Green industries;
- Commercialisation of technologies, and
- Skills development for the business process outsourcing sector.

As stakeholders in the sector start to engage in these programmes, the MICT SETA will continue to be a skills development partner, ensuring that, along the way, the requisite skills are being developed. Similar to the NDP objectives, the MICT SETA will leverage its partnerships with industry to drive innovative research in areas such as green skills that also offer opportunities to small business to play a significant role in the country's manufacturing and technology ecosystem.

## 2.5 White Paper on Post Schooling Education and Training

The White Paper envisages an expanded, effective and integrated post-school system in South Africa. It is premised on achieving:

- Expanded access to TVET and university education;
- Establishment of community colleges and skills centres to mainstream vocational education and training;
- Establishment of a national skills planning mechanism within DHET;
- A strengthened NSA to perform a monitoring and evaluation role in the skills system, and the
- Opening up of workplaces to give more youth access to work integrated learning opportunities.

The white paper further notes that, in future, SETAs will be given a clearer, and to some extent, a narrower and more focused role. In supporting the White Paper's calls for an efficient skills development system, the MICT SETA engages in a rigorous strategic planning process that ensures the delivery of technical and vocational skills demanded by its sector and the broader economy. The SETA will continue to strengthen its partnerships with TVETs and industry to deliver mid-level technical skills through expanded access to internships programmes and work integrated learning.

## MICT SETA Mandate *(continued)*

### 2. Institutional Policies and Strategies over the Five-Year Planning Period *(continued)*

#### 2.6 The National Integrated ICT Policy Review Report

The National Integrated ICT Policy Review Report (final) was published in March 2015. It made a number of recommendations on skills development in anticipation of infrastructure rollout:

- Widespread basic technology skills to take advantage of universal access to broadband and increased demand for ICT products and services;
- Public service skills to ensure public servants, in all three tiers of government, are adequately skilled to drive more efficient delivery of services using Government-to-Business, Government-to-Government, Government-to-Citizen and Citizen-to-Government modes;
- A diverse skills base across professions, from both user and ICT developer perspectives, which catalyses the growth of ICT-enabled industries;
- A sufficient supply of skilled professionals, researchers and innovators to build the ICT products and services industry, so that we are not dependent on the import market; and

Skills development to ensure the anticipated infrastructure expansion is built, serviced, and maintained by a majority of the South African workforce.

All of the above are emphasised in SA Connect which provides for interventions within the basic education and post-school sectors, in government and adult e-literacy as well as youth development and sectoral programmes. The MICT SETA, in developing learning programmes, will align to the goals of this plan, with emphasis on advocating the creation of an inclusive, dynamic and connected information society and a vibrant knowledge economy. Through continued championing of skills development interventions, the SETA will contribute to expanding the national system of ICT research, development and innovation.

#### 2.7 Strategic Integrated Projects (SIPs)

One of the Strategic Integrated Projects outlined by the Presidential Infrastructure Coordinating Commission (PICC) is SIP-15: 'Expanding Access to Communication Technology'.

The DHET published a report that assesses the skills needs 'for and through SIPs' {Economic Development Department, 2014 #18} and points specifically to the demand for database and network professionals. The need for specialist data scientists able to deal with large volumes of data was identified by the Square Kilometre Array (SKA) and various sub-disciplines within industrial and electrical engineering". MICT SETA is and will continue to be the skills development partner to support SIP 15 dealing with universal access to broadband. In this regard, the SETA already works with a number of partners within the sector including the CSIR, DST, DTPS and USASSA. This initiative is aimed at ensuring sound delivery and provision of requisite services and products by skilled professionals and specialists.



## 2.8 Provincial and local government plans

Municipal integrated development plans as well as provincial growth and development strategies are imperative to guiding planning and development across the nine provinces and 278 municipalities. Where MICT SETA related industries have been identified as key areas for development, the SETA will prioritise those and ensure that support is offered, and partnerships are effective.

## 2.9 Sector priorities

While it is the MICT SETA's ambition to work with and service the entire employer base for the sector, there are a number of inhibiting factors. Primarily, levy payers represent almost 25% of all employers in the sector as the sector base is predominately constituted by small sized companies; representing almost 96% of all employers in the sector (as supplied by SARS). Additionally, the MICT sector does not, in reality, comprise all organisations demarcated to its five sub-sectors by SARS. There are employers that provide ICT services together with other professional services who are located in other clusters. Though such employers are generally recognised as falling within the MICT sector, they define themselves outside of this sector in terms of the skills development system.

In response, the MICT SETA will continue to prioritise its role as a strategic skills development partner that can enhance the sustainability and growth of small businesses in the sector. Support for SMMEs will focus on sustained collaboration with key stakeholders to encourage incubation of these businesses. Additionally, the SETA will continue to bolster rural outreach initiatives. Primarily, this strategy will focus on responding to the key NSDP outcomes and ERRP interventions that find expression in the SETA's scope. Embedding skills planning into sectoral processes will remain a priority – as will collaborations with public TVET colleges, as the primary modes of delivery of e-readiness skills and other skills required in rural areas. The establishment of new, small-scale firms and cooperatives focused on ICT services in rural areas, has opened up opportunities for skills development.

The MICT SETA supports government's various policy and planning interventions aimed at achieving the objectives of the National Development Plan (NDP). These policies and plans have a direct bearing on the sector's skills development endeavours and, as such, will have a coherent response from the MICT SETA and its stakeholders and will be neatly woven into this Strategic Plan. Listed below are the SETA's strategic key priorities in order of priority. They are further detailed in the research findings section of this Strategic Plan.



## MICT SETA Mandate *(continued)*

### 2. Institutional Policies and Strategies over the Five-Year Planning Period *(continued)*

#### 2.9 Sector priorities *(continued)*

Below are the sector priorities as identified in the 2023/24 SSP, and then the MICT SETA outcomes

**Table 2: SETA priorities and outcomes**

MICT SETA 2023/24 outcomes/priority areas in SSP	MICT SETA outcomes	
Support for SMMEs, Entrepreneurship and community-based organisations, particularly in relation to 4IR cross-sectoral partnerships and projects for sustainable growth.	<b>Outcome 1</b>	Support the sustainability and growth of SMMEs, Entrepreneurship, Cooperatives and community-based organisations.
	<b>Outcome 2</b>	Ensure good corporate governance and a productive workforce.
Credible labour market information that accurately identifies occupations in high demand.	<b>Outcome 3</b>	Increase and improve labour market information that accurately identifies occupations in high demand.
Increased and focused skills development for rural and marginalised communities to ensure inclusivity through technology skills development.	<b>Outcome 4</b>	Increase focused skills development interventions for rural and marginalised communities to ensure inclusivity.
Support initiatives that prioritise the provision of agile, flexible and demand-led skills development programmes, retraining/upskilling being a priority.	<b>Outcome 5</b>	Increase access to and delivery of industry and occupationally directed priority programmes and work placements.
Enablement of the Fourth Industrial Revolution (4IR).	<b>Outcome 6</b>	Enablement of the Fourth Industrial Revolution (4IR)
Support growth of the public college system through sectoral partnerships in the delivery of learning interventions.	<b>Outcome 7</b>	Enable the growth of the public college system through sectoral partnerships in the delivery of learning interventions.
	<b>Outcome 8</b>	Improve the quality of education to address programmes in high demand within the MICT Sector.
	<b>Outcome 9</b>	Supported career development services within the MICT sector.

These aforementioned priorities will be implemented in accordance with the MICT SETA policies and procedures. In some instances, they will be addressed through special projects to ensure support for the sector and government while, at the same time, assisting in the achievement of quarterly SETA targets.



## 2.10 National Skills Development Plan (NSDP)

In the new planning cycle, the MICT SETA responds to the eight NSDP outcomes by identifying and addressing occupations in high demand, linking MICT SETA education and training providers with respective workplaces, contribute to the improvement of the skills levels of the industry's workforce, supporting the growth of the TVETs and CETs through work integrated learning (WIL), supporting skills development for entrepreneurship and cooperatives and rural learners, encouraging and supporting worker initiated (unions/federations), supporting career development services. These outcomes will be achieved through the implementation of the SETA's key strategic outcomes listed below.

**Table 3: NSDP Outcomes**

NSDP outcomes	MICT SETA outcomes
<b>Outcome 1: Identify and increase production of occupations in high demand</b>	<b>Outcome 2:</b> Increase and improve labour market information that accurately identifies occupations in high demand.
<b>Outcome 2: Linking education and the workplace</b>	<b>Outcome 4:</b> Increase access to, and delivery of industry and occupationally directed priority programmes and work placements.
<b>Outcome 3: Improving the level of skills in the South African workforce</b>	<b>Outcome 8:</b> Improve the quality of education to address programmes in high demand within the MICT sector.
<b>Outcome 4: Increase access to occupationally directed programmes</b>	<b>Outcome 4:</b> Increase access to, and delivery of industry and occupationally directed priority programmes and work placements.
<b>Outcome 5: Support the growth of the public college system</b>	<b>Outcome 7:</b> Enable the growth of the public college system through sectoral partnerships in the delivery of learning interventions.
<b>Outcome 6: Skills development support for entrepreneurship and cooperative development</b>	<b>Outcome 1:</b> Support the sustainability and growth of SMMEs, Entrepreneurship, Cooperatives and community-based organisations
<b>Outcome 7: Encourage and support worker initiated training</b>	<b>Outcome 4:</b> Increase access to, and delivery of industry and occupationally directed priority programmes and work placements.
<b>Outcome 8: Support career development services</b>	<b>Outcome 3:</b> Supported career development services within the MICT sector.

## MICT SETA Mandate *(continued)*

### 2. Institutional Policies and Strategies over the Five-Year Planning Period *(continued)*

#### 2.11 Economic Reconstruction and Recovery Plan and Skills Strategy

The main skills problems outlined in the Economic Reconstruction and Recovery Plan (ERRP) relate to a skills mismatch in the South African labour market. The increase in the use of technology has resulted in semi-skilled and unskilled people being left behind, which has prompted the need to rethink how key role players can build a skills base for the economy. The skills strategy was developed because of the urgency for a well-coordinated strategy of skills development to support both the management of the COVID-19 pandemic and the economic and social recovery. The strategy is designed to ensure that the skills system is strengthened with its implementation and focuses on interventions that allow for large numbers of youth to access opportunities in the short-term. Furthermore, it contains ten (10) interventions to ensure the effective implementation of the ERRP. The SETAs, including the MICT SETA, finds expression in six of the interventions. These are:

**Table 4: ERRP Interventions**

ERRP interventions	MICT SETA outcomes
<b>Intervention one:</b> Embedding skills planning into sectoral processes.	<b>Outcome 3:</b> Increase and improve labour market information that accurately identifies occupations in high demand.
<b>Intervention three:</b> Increased access to programmes resulting in qualifications in priority sectors.	<b>Outcome 5:</b> Increase access to and delivery of industry and occupationally directed priority programmes and work placements. <b>Outcome 6:</b> Improve the quality of education to address programmes in high demand within the MICT Sector.
<b>Intervention four:</b> Access to targeted skills programmes.	<b>Outcome 5:</b> Increase access to and delivery of industry and occupationally directed priority programmes and work placements.
<b>Intervention six:</b> Supporting entrepreneurship and innovation.	<b>Outcome 1:</b> Support the sustainability and growth of SMMEs, Entrepreneurship, Cooperatives and Community-Based Organisations.
<b>Intervention seven:</b> Retraining/up-skilling of employees to preserve jobs.	<b>Outcome 5:</b> Increase access to and delivery of industry and occupationally directed priority programmes and work placements.
<b>Intervention ten:</b> Strengthening the post-school education and training system.	<b>Outcome 8:</b> Enable the growth of the public college system through sectoral partnerships in the delivery of learning interventions.



### 3. RELEVANT COURT RULINGS

Business Unity South Africa versus the Minister of Higher Education and Training (DHET):

- SETA Grant Regulations 3 December 2012 as re-promulgated: Mandatory Grants, Regulation 4(4) of the 2012 Grant Regulations, as promulgated in 2012, reduced the mandatory grant that an Employer could claim from 50% to 20% of the total levies paid. The way that the Regulations were promulgated led to litigation by Business Unity South Africa (BUSA), to which a ruling was ultimately made by the Labour Appeals Court in October 2019, the effect of which Regulation 4(4) was set aside.
- The Minister would have to decide on the percentage for mandatory grants, in consultation with the sector. To date, there has been no communication regarding the approved mandatory grant percentage. The Minister is in consultation with the sector regarding this matter.



## **PART B: MICT SETA STRATEGIC FOCUS**



## **MICT SETA Strategic Focus**

### **VISION**

Cutting edge future skills.

### **MISSION**

To strategically lead the MICT sector skills development system in support of meaningful economic participation of our beneficiaries, for improved socio-economic conditions.

### **VALUES**

- Customer centricity
- Ethical
- Innovative
- Committed
- Meritocracy
- Collaborative

## MICT SETA Strategic Focus *(continued)*

### 4. SITUATIONAL ANALYSIS

This situational analysis seeks to provide an environmental context in which the MICT SETA functions. The section provides a multi-dimensional analysis of current sector performance, identifying factors impacting on the sector as outlined in the MICT SETA Sector Skills Plan 2022/2023. The Standard Industrial Classification (SIC) codes classify business establishments and other standard units by the type of economic activity in which they are engaged. The table below represent the SIC Codes falling within the MICT SETA economic sector and were published in Government Notice, No. 42589, Government Gazette, 22 July 2019.

**Table 5: MICT SETA Standard Industry Classification Codes (SIC)**

Sub-sector	SIC code	Main activity description
Advertising	88310	Advertising
	88311	Activities of advertising agents
	88313	Commercial design
Film and Electronic Media	96110	Motion picture and video production and distribution
	96112	Related activities – film and tape renting to other industries, booking, delivery and storage
	96113	Film and video reproduction
	96132	Production and broadcast of radio and television broadcast content
	96200	News agency activities
	88940	Photographic activities
Electronics	35791	Manufacture of alarm systems
	75216	Security systems services except locksmiths
	75217	Office automation, office machinery and equipment rental leasing including installation and maintenance
	86004	Electronic and precision equipment/computer repairs and maintenance
	86010	Consumer electronics repair and maintenance
	86013	Other electronic and precision equipment repair and maintenance
	86014	Repair and maintenance of electronic marine equipment
	87142	Research and development of electronic equipment and systems
	87143	Information technology import and product integration of pre-manufactured electronics it and telecommunications equipment
	87146	Research and development in the physical and engineering sciences
	87147	Electronics importation and product integration of pre-manufactured electronics it and telecommunications equipment
	96133	Installation, maintenance and repair of tracking devices for cars



Sub-sector	SIC code	Main activity description
Information Technology	86001	Software publishers
	86002	Computer systems design and related services
	86003	Computer facilities management services
	86005	Computer rental and leasing
	86006	Computer programming services
	86007	Other computer related activities
	86008	Call centre and customer relationship management systems development and installations activities
	86009	Computer system design services and integrated solutions
	86011	Computer and office machine repair, maintenance and support services
Tele-communications	75200	Telecommunication
	75201	Wired telecommunications carriers
	75202	Television and radio signal distribution
	75203	Cable networks and programme distribution
	75204	Telephone
	75205	Wireless telecommunications carriers except satellite radio telephone
	75209	Television broadcasting
	75211	Telecommunications and wired telecommunication carriers
	75212	Paging
	75213	Cellular and other wireless telecommunications
	75214	Satellite telecommunications
	75215	Other telecommunications
	86012	Communication equipment repair and maintenance
	87148	Telecommunications importation and product integration of pre-manufactured electronics it and telecommunications equipment
	96131	Providing radio and television transmission signals

Source: Government Notice, No. 42589, Government Gazette, 22 July 2019

#### • Strategic focus of the MICT SETA over the five-year planning period

The strategic focus of the MICT SETA over the next five years includes ensuring effective leadership and commitment in the development of skills for the sector and beyond. Further focus will be on leveraging the private sector investment in research and development and supporting learners to acquire digital technology skills and better understanding of the MICT career opportunities, ensuring informed choices and decisions by respective stakeholders.



## MICT SETA Strategic Focus *(continued)*

### 4. SITUATIONAL ANALYSIS *(continued)*

- Recent statistics relevant to the MICT SETA and the sector**

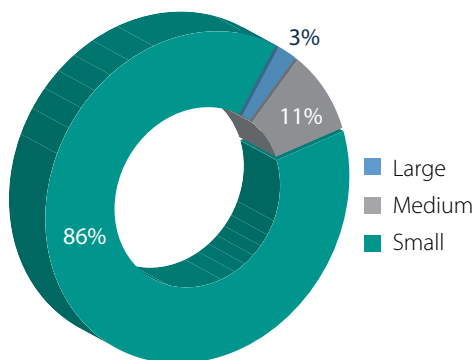
The MICT sector is made up of five (5) sub-sectors that are inter-related but also quite distinct and identifiable in their own right. They are Advertising, Film and Electronic Media, Electronics, Information Technology and Telecommunications. These sub-sectors are increasingly converging into a single ICT ecosystem using similar technologies. The MICT sector covers an array of segments such as market research, business process automation, media, data services, software, hardware, telecommunications, financial and risk information, and security among others. The sector is anchored by the role of unified communications which enables access, storage, transmission, and manipulation of information.

As of 2022, the MICT Sector is made up of 32 985 employers, which are spread across five Subsub-sectors, this represents a 7% decrease from the 35 569 in the previous financial year. From the current employer base, only 8 896 employers are paying levies, this is a slight decline of 2% from 9 093 compared to the previous financial year. The MICT sector experienced an increase in the number of employees recording 228 990 in 2022. The largest proportion (54%) of employees are working in the Information and Technology sub-sector, followed by 28% working in the Tele-communications, and 9% in the electronics sub-sector. The sub-sector with the lowest number of employees is advertising accounting for 4%, and Film, and Electronic Media accounting for 5%.

- Demographic data that will be used to inform planning for the five-year period.**

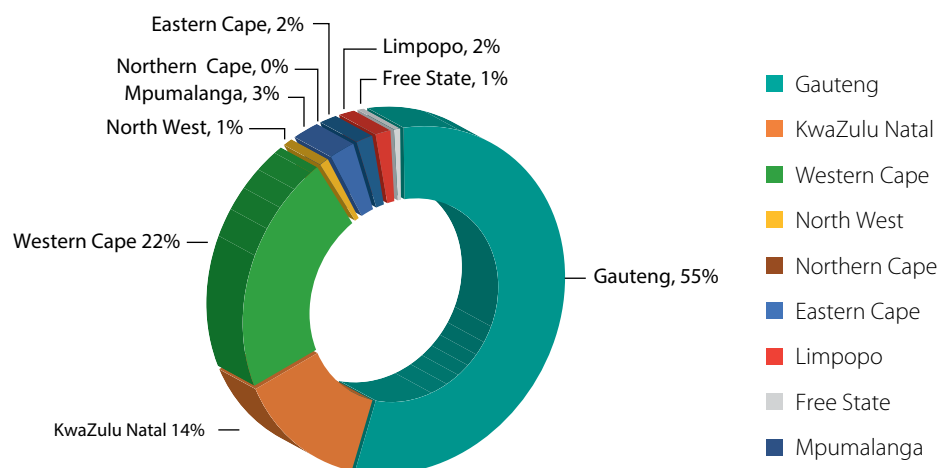
The vast majority (86%) of employers in the sector are small businesses employing below 50 employees, 11% medium and 3% are large businesses employing above 50 employees.

**Figure 1: Size of employers in the sector**



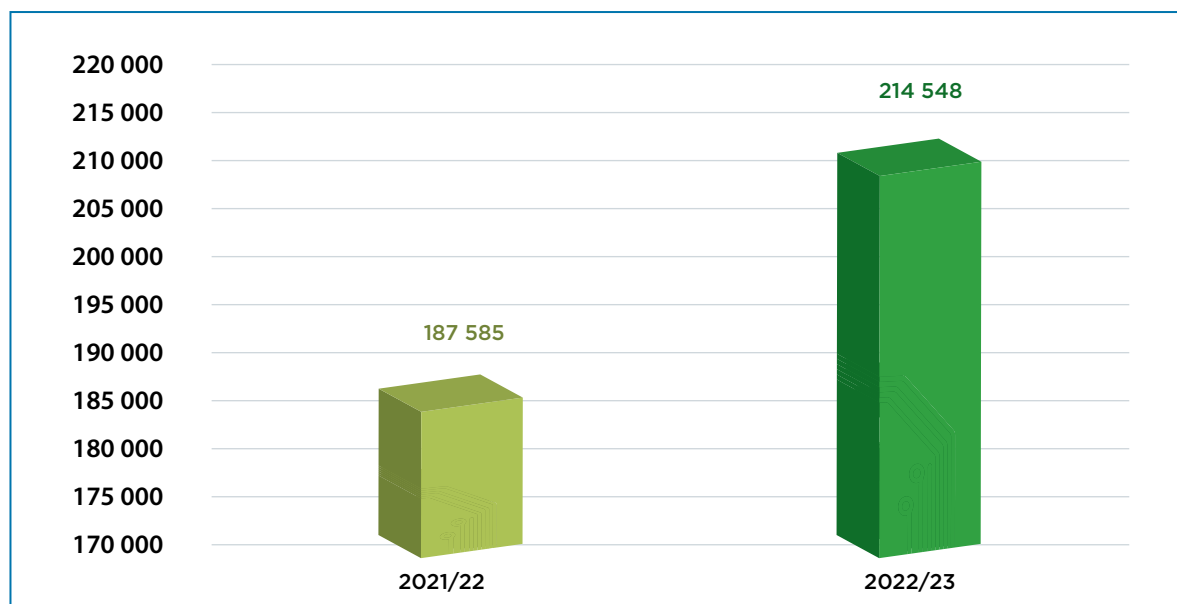
Source: MICT SETA Levy Huge File, 2022

Gauteng (55%) hosts the largest proportion of employers across the five sub-sectors followed by the Western Cape accounting for 22%. 14% of employers are based in KwaZulu Natal while 3% are in Mpumalanga. The Eastern Cape and Limpopo provinces each account for 2% of employers, whilst the Free State and the North-west provinces account for 1% each. The figure below illustrates employer base per province.

**Figure 2: MICT sector size of employers per province**

Source: MICT SETA Levy Huge File, 2022

In 2021 and 2022, the MICT sector experienced a sharp increase in the number of employees recording a total of 214 548 in 2022, from 187 585 in 2021. This can be seen in the figure below.

**Figure 3: Employment in the MICT sector**

Source: MICT SETA Levy Huge File, 2022

The largest proportion (54%) of employees are working in the Information and Technology sub-sector followed by 28% working in the Telecommunications sub-sector, and 9% in the Electronics subsector. The sub-sectors with the lowest number of employees are Advertising accounting for 4% of employees and Film and Electronic Media accounting 5%. The table below shows the disaggregation:

## MICT SETA Strategic Focus *(continued)*

### 4. SITUATIONAL ANALYSIS *(continued)*

**Table 6: Number of employees by sub-sector**

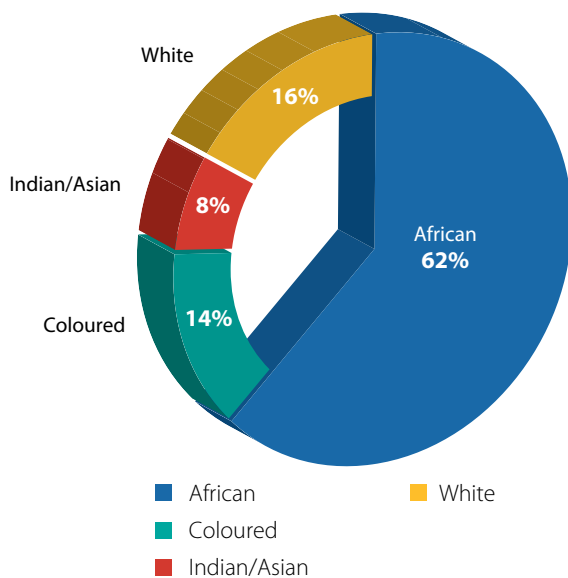
Sub-Sector	Number of employees	% of employees
Advertising	8 964	4%
Film and Electronic Media	10 968	5%
Electronics	19 522	9%
Information Technology	115 003	54%
Telecommunications	60 121	28%

Source: MICT SETA Levy Huge File, 2022

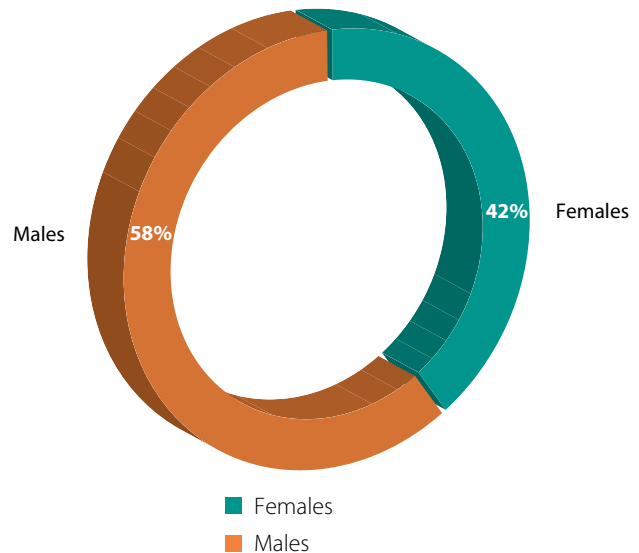
The highest proportion of people employed in the sector are African (62%), followed by White (16%). These two race categories make up just over three quarters (78%) of the total number of employees in the MICT sector. Compared to 2021, the proportion of African and White employees in the sector changed significantly, with the proportion of African employees increasing by 15 % and the proportion of White employees decreasing by 14 %, although this is largely in the lower and mid-level occupational groups. Coloured employees account for 14% and Indian/Asian employees account for 8% of employees in the sector. This can be seen in the figure below:

**Figure 4: Race and gender profiles of employees**

#### Race



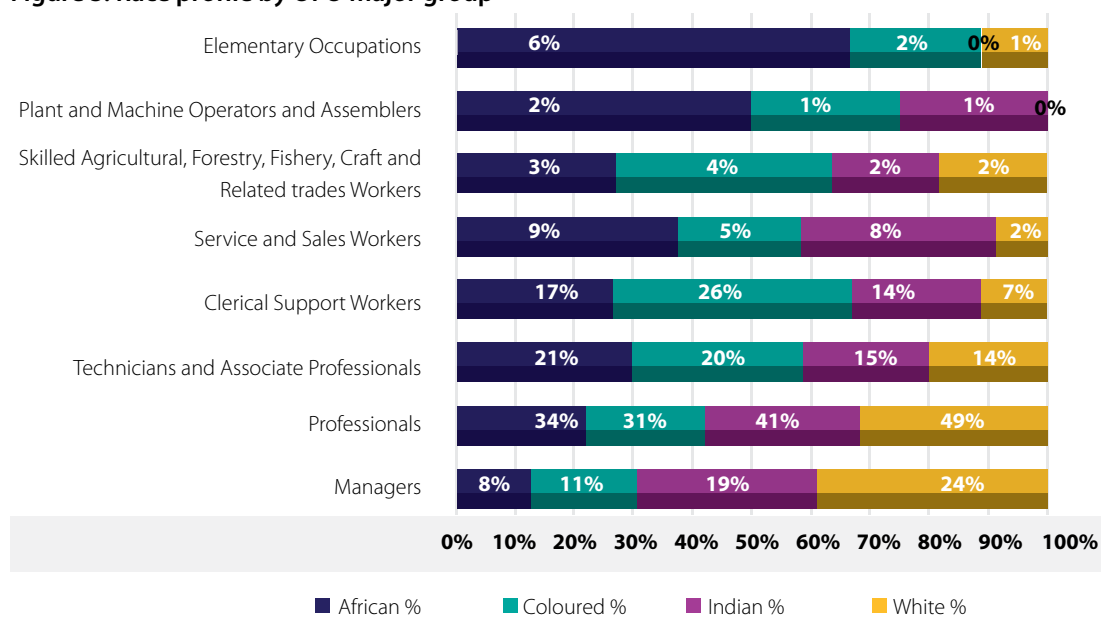
#### Gender



Source: MICT SETA Levy Huge File, 2022

Furthermore, there are more male employees (58%) in the sector than females. These results have remained similar over the past three years.

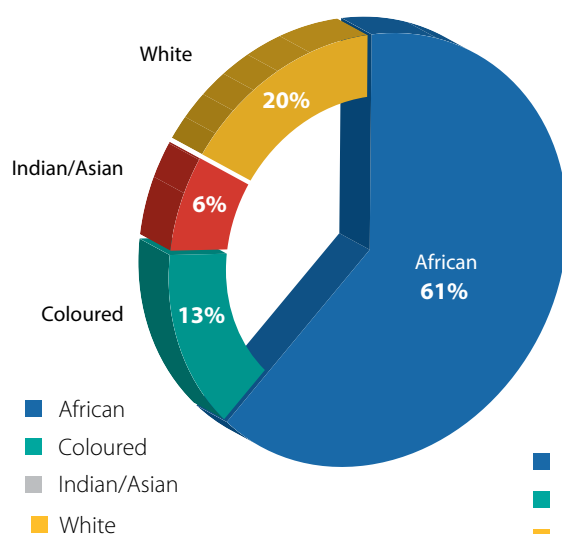
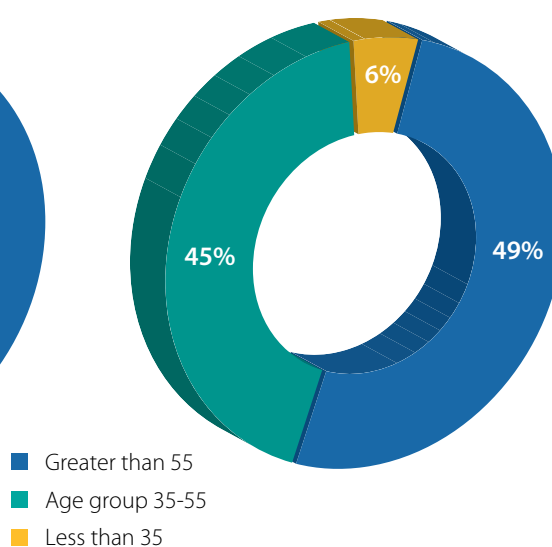
While Africans make up the largest employee group by race, they still occupy relatively lower positions compared to other race groups and enjoy less representation at senior level. The figure below demonstrates that only 8% of African employees occupy managerial positions (with a 1% increase from 2021) and 34% occupy professional positions (an increase of 1% from last year).

**Figure 5: Race profile by OFO major group**

Source: MICT

SETA WSP/ATR, 2022

Furthermore, in terms of the disability, most of the employees with disabilities are African at 61%. This is followed by White employees (20%) and Colored employees (13%). The Indian/Asian category only accounts for 6% of employees with disabilities within the MICT sector.

**Figure 6: Disability and age profiles of employees****Employees with disabilities****Employees by age**

Source: MICT SETA WSP/ATR, 2022

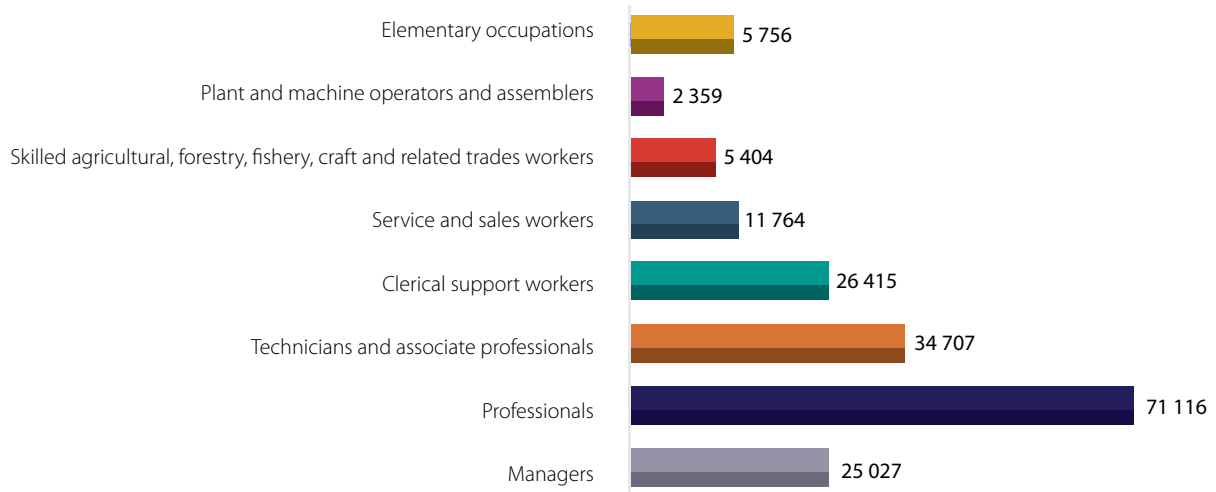
Employment in the MICT sector is dominated by younger employees. As of 2022, only 6% of people employed in the MICT sector are older than 55 years of age, of the remaining, 45% are younger than 35 years of age, and 49% are between the ages of 35 and 55.

## MICT SETA Strategic Focus *(continued)*

### 4. SITUATIONAL ANALYSIS *(continued)*

Further expanding on the situational analysis, understanding the occupational divide of employees in a sector is important; specifically, to determine where skills development interventions are most required. The figure below shows that Professionals are the dominant occupational category in the MICT sector. This is followed by Technicians and Associate Professionals, Clerical Support Workers, and Managers. Employment within Managers, Professionals, and Associate Professionals' categories typically require a degree, diploma, or NQF level 6 qualifications as an entry. Combined, these categories account for the bulk (72%) of employees in the sector. As compared to other economic sectors, which employ more people in elementary occupations, this sector reflects the converse and could be attributed to the professional services orientation of offerings by employers in the sector. The figure below shows this breakdown.

**Figure 7: Occupations by OFO major groups**



Source: MICT SETA WSP/ATR, 2022

- Relevant stakeholders contributing to the institution's achievement of its outcomes**

The MICT SETA views partnerships as a critical mechanism that safeguards the delivery of its skills development mandate. The SETA had previously established partnerships (and will continue doing so) with TVETs and universities to encourage learners from previously disadvantaged backgrounds to enrol in middle level skills through TVETs, and high-level skills through universities and universities of technology. Such partnerships are intended to establish linkages between the labour market, employers and education and training providers to achieve a number of objectives in the skills supply chain. These partnerships are intended to ensure that curricula reflect the changing needs of a dynamic industry, especially since public institutions are critical contributors to technical and vocational mid-levels skills, and high-level skills with regards to research and development, creativity and innovation.

The MICT SETA entered into partnerships with various stakeholders through bursary programmes for the attainment of high-level skills and occupationally directed programmes such as internships, learnerships, skills programmes, short programmes for the provision of work integrated skills for sectorial development and growth.

This Strategic Plan will ensure that these partnerships are sustained and continue to promote relations and collaborations among stakeholders, industry and skills development institutions. Partnerships will be aimed at bridging the demand and supply skills mismatches and ensuring that curricula align to the ever-changing skills needs of this dynamic sector. Having painted a picture of the core elements of the MICT SETA environment, the section below analyses the external and internal environment.



## 5. EXTERNAL ENVIRONMENT ANALYSIS

### 5.1 Factors contributing to the performance of policy and regulatory institutions

Within the MICT SETA external environment, factors contributing to the performance of policy and regulatory institutions, exploration is drawn from the Political, Economic, and Social, Technological, Environmental and Legal (PESTEL) analysis as outlined below.

**Table 8: PESTEL analysis**

Political factors	Economic factors
<ul style="list-style-type: none"> <li>• Increased focus on inter-departmental cooperation and planning</li> <li>• Increased focus on accountability and Monitoring and Evaluation systems</li> <li>• Acceleration of digitisation programmes</li> <li>• Visibly dealing with corrupt practices</li> <li>• Changing political priorities</li> <li>• Shared service programme implementation</li> </ul>	<ul style="list-style-type: none"> <li>• The MICT sector remains amongst those that were less severely impacted by the pandemic, which makes it favourably placed to leverage on inadvertent opportunities brought about by digitisation and the COVID-19 pandemic</li> <li>• International competition threatens local firms, particularly small-sized firms</li> <li>• Increased productivity and improved information flows in the economy</li> <li>• Despite the hardships brought by the pandemic whereby big businesses close shop and people are retrenched, there is also a rising interest in entrepreneurship</li> <li>• Slow rollout of COVID-19 vaccination programmes hampering economic recovery</li> <li>• High cost of technology</li> </ul>
Environmental	Legal factors
<ul style="list-style-type: none"> <li>• Increased demand for ICT and digital services</li> <li>• Opportunities in sector for green technologies and their applications</li> <li>• e-Waste management</li> <li>• Drive towards smart cities</li> </ul>	<ul style="list-style-type: none"> <li>• Revised Regulations on the allocation of the skills development levies and the on-going BUSA case with the Minister is likely to impact on skills development imperatives</li> <li>• SETA re-licensing for the next 10 years (as opposed to the previous 5-year licencing) offers more stability and an opportunity for long term strategic planning prospects</li> <li>• Impact of POPI Act</li> <li>• High cost of litigation</li> </ul>

## MICT SETA Strategic Focus *(continued)*

### 5. EXTERNAL ENVIRONMENT ANALYSIS *(continued)*

#### 5.1 Factors contributing to the performance of policy and regulatory institutions *(continued)*

Social factors	Technological factors
<ul style="list-style-type: none"> <li>Existing weaknesses in post-education system together with fewer vocational colleges have exacerbated weaknesses in the education system</li> <li>Weaker education background making online learning difficult</li> <li>Societal increased use of virtual connections in mitigation to reduce the impact of the COVID-19 at both individual and business operations levels</li> <li>Increased youth unemployment in both urban and rural areas, ongoing inequalities, gender biasness in employment</li> <li>Reality of fake news impacting on society</li> <li>Entitlement to access local project opportunities</li> <li>Psychological impact of COVID-19 on society</li> <li>Poverty</li> </ul>	<ul style="list-style-type: none"> <li>Digitisation and an increase in innovation</li> <li>Increased accessibility and appeal of cloud-based systems</li> <li>Introduction of the more hyper scale data centres</li> <li>Advent of the fifth-Generation wireless technology</li> <li>Expansion in fibre network and data centre markets</li> <li>More consumers working remotely and most educational institutions resorting to online learning due to COVID-19</li> <li>Technological advancement resulting in increased digital technology solutions and posing the potential to reduce labour and transactional costs</li> <li>Increased risk of cyber crime</li> <li>Availability of new spectrum</li> <li>Lack of connectivity in rural areas</li> <li>Drive towards re-skilling with regards to future technologies</li> </ul>

Additional to the analysis above, the South Africa political environment trajectory is underpinned by the National Development Plan (NDP). The NDP encourages the country to achieve sustained levels of economic growth through to 2030. Additionally, the introduction of the new NSDP 2030 calls for SETAs to reorient themselves towards the development of skills that are of impact and that are outcomes-oriented. Complementing the NSDP outcomes are the six (6) ERRP interventions that the SETA adopts and which are critical in the SETAs 2022/23 strategy as they mirror realistic goals for sector recovery against the effects caused by the pandemic. Moreover, other policy interventions such as; White Paper on Post Schooling Education and Training (WP-PSET), New Growth Path (NGP), Industrial Policy Action Plan (IPAP), and the National Integrated ICT Policy White Paper have been considered and their implications on the sector are duly outlined in the succeeding sections of this Strategic Plan

#### 5.2 Demand for services and other factors which informs the development of the Strategic Plan

While the sector contributes positively to the GDP, the 4IR will alter the way communities live and work through a fusion of technologies. The COVID-19 pandemic has accelerated the use of digital technologies and has revealed the urgency with which the sector must transform with regard to both skills demand and supply. Key technologies such as 5G and Cloud Computing have become important as many South Africans are working remotely, using digital platforms such as Zoom for video conferencing, for example. With South Africa striving towards being an e-Skilled economy, as outlined in the National Development Plan Vision 2030, key change drivers that affect the MICT sector and socio-economic systems are identified below:



## Artificial intelligence

Artificial Intelligence (AI) has been identified as a key change driver in the MICT sector. It refers to the simulation of human intelligence in machines that are programmed to think like humans and mimic their actions. The term may also be applied to any machine that exhibits traits associated with a human mind such as learning and problem-solving. The ideal characteristic of AI is its ability to rationalise and take actions that have the best chance of achieving a specific goal (Investopedia, Artificial Intelligence (AI), 2020). Nearly half (46%) of South African companies are actively piloting AI within their organisations.

## Cloud computing

Cloud Computing has emerged as a key driver of digital transformation in South Africa. It is described as the delivery of different services through the Internet. These services include tools and applications such as data storage, servers, databases, networking, and software (Investopedia, Cloud Computing, 2019). It is a disruptive delivery model of Information Technology (IT) services which is based on a business model that is flexible and on-demand. South African organisations are consuming significant amounts of cloud services, including software as a service, platform as a service, and infrastructure as a service (Gartner, 2019).

## Big data analytics

Big data refers to the large, diverse sets of information that grow at ever-increasing rates. It encompasses the volume of information, the velocity or speed at which it is created and collected, and the variety or scope of the data points being covered. Big data often comes from multiple sources and arrives in a variety of formats (Investopedia, 2019). Properly managing big data is now an important assignment for many organisations, especially with the rapid uptake of 4IR technologies. However, many organisations are still unaware of the opportunities and insights that big data holds for them.

## Fifth-generation wireless technology ("5G")

The fifth-generation wireless technology ('5G') has been identified as a key driver of network transformation in South Africa. It has been associated with the need for a greater and wider adoption of emerging technologies. This technology is expected to be more effective, more efficient and as much as 100 times faster than its predecessor, 4G (Corfe, 2018). As capacity demands driven by growing internet data traffic increases – further emphasised by the current world of remote work during the COVID-19 pandemic – 5G will significantly speed up data communication (Statista, 2020). 5G will also advance machine-based, IoT-centric functionalities, for example, in autonomous and self-driving cars.

## Internet of Things (IoT)

The Internet of Things (IoT) refers to a network comprised of physical objects capable of gathering and sharing electronic information. IoT includes a wide variety of 'smart' devices, from industrial machines that transmit data about the production process, to sensors that track information about the human body (Investopedia, 2020). IoT allows for remote management or monitoring of connected devices. This information can then be supplied to an AI platform, which may be tasked with responding appropriately based on data received. IoT will continue to grow as cloud computing and cloud app offerings in the coming years. IoT thus links to virtually all of 4IR change drivers, further expanding the impact of 4IR.



## MICT SETA Strategic Focus *(continued)*

### 5. EXTERNAL ENVIRONMENT ANALYSIS *(continued)*

#### 5.2 Demand for services and other factors which informs the development of the Strategic Plans *(continued)*

##### Skills implications of the change drivers

Change drivers affect how businesses operate and survive into the future. Thus new ways of doing things, including skills training, are required to exploit new opportunities in the market that emerge as a result of 4IR. Furthermore, the COVID-19 pandemic has spurred on the uptake of 4IR technologies and the relevant skills that are required to enable it. The above-mentioned change drivers call for the continued development of technologies and skills. Whilst it may be true that 4IR could invalidate jobs that place emphasis on routine or menial tasks, it also presents an opportunity for the creation and/or advancement of jobs.

To this effect, South African organisations are increasingly investing in 4IR technologies. However, funding, formalised training and overall development of emerging occupations is hampered by limited recognition of emerging 4IR occupations in the OFO such as an IoT specialist within the IoT realm, cloud architect for cloud computing and AI specialist within artificial intelligence. To this effect, the SETA is actively engaged with stakeholders such as the QCTO, training providers and industry in the development of new qualifications and improvement of existing qualifications to meet 4IR demands. In order to keep up with the increasing use of artificial intelligence and robotics, the acceleration of the reskilling of workers, the redirection of the workforce to areas that create new forms of value and the strengthening of the talent pipeline from its source is required. (Accenture, 2018).

#### 5.3 Challenges to be addressed

There are strategic challenges within the sector that need to be managed for the benefit of the sector. They include:

- Aligning the skills agenda to the needs of the sector and relevant policies;
- Supporting innovation and promoting creativity;
- Supporting skills development needs and priorities of rural communities (bridging the digital divide);
- Promoting more locally based production processes, solutions and increased exports;
- Paying greater attention to development and support for small businesses as potential bedrocks for employment, and
- Deepening the transformation agenda within the sector.

#### 5.4 Mitigation strategies

In mitigation of the afore-mentioned challenges, the SETA will ensure implementation of priority sector development initiatives that include:

- Recognising, planning and prioritising occupations that are on the National List of Occupations in High Demand and linking occupations and specialisations that address the above-mentioned change drivers namely; AI, Cloud Computing, Big Data Analytics, 5G and IoT to that enable 4IR. In this way, the SETA will be fulfilling NSDP outcome 1 (identifying and increasing production of occupations in demand), and outcome 2 (linking education and the workplace). In addition, the ERRP intervention on embedding skills planning into sectoral processes will be responded to by the SETA.



- Expanding opportunities for Work Integrated Learning, responding to NSDP outcome 4 (Increase access to and delivery of industry and occupationally directed priority programmes and work placements), and also aligning to the ERRP intervention on Increased access to programmes resulting in qualifications in priority sectors.
- Designing internships that serve as effective bridges into employment and collaborating with stakeholders on work-based training
- Supporting innovation and commercialisation of 4IR technologies in South Africa thereby encouraging local production and increased exports.

## 5.5 Research findings

The priority actions below were unveiled through research and ensure alignment between the SSP and this Strategic Plan. They found expression into this Strategic Plan to ensure support for the eminent change and development within the sector, they set out the broad skills development agenda for the sector and are in order of priority:

**Table 9: MICT SETA priorities**

Outcome/priority area	Description
<b>Priority 1:</b> Support the sustainability and growth of SMMEs, Entrepreneurship, Cooperatives and Community-based Organisations.	In developing interventions for SMMEs and community-based organisations, the SETA will make considerations such as: The ability of an SMME to obtain funding for skills development; whether or not it is a levy paying company; the flexibility and accessibility of programmes that recognises the difficulty that small companies have in releasing staff for long periods; the difficulties that small companies have in meeting requirements for learning programmes implementation; and the potential for established larger companies in the Sector to mentor and provide skills development incubator opportunities to smaller less well established businesses.
<b>Priority 2:</b> Ensure good corporate governance and a productive workforce.	<p>The MICT SETA will warrant that the internal systems and processes that are put in place will ensure effective corporate governance to establish a good corporate citizen that is accountable to its stakeholders. This will be done through striving to eliminate fraud and corruption by putting in place effective fraud management strategies and policies as part of Risk Management. In addition, organisational performance will be measured against compliance through the establishment of a Compliance Framework and Plan that will be monitored and reported on a quarterly basis.</p> <p>In terms of management of organisational ethics, a rigorous Ethics Management Framework will be developed with milestones measurable annually. Lastly, MICT Seta will ensure that there is an approved Corporate Governance Framework and Operating Model that will measure the deliverables of the Board Secretariat as a support structure to the Accounting Authority,</p>

## MICT SETA Strategic Focus *(continued)*

### 5. EXTERNAL ENVIRONMENT ANALYSIS *(continued)*

#### 5.5 Research findings *(continued)*

Outcome/priority area	Description
<b>Priority 3:</b> Increase and improve labour market information that accurately identifies occupations in high demand.	The MICT SETA will ensure that the labour market information signalling the demand and supply of skills is thoroughly triangulated to improve the trustworthiness of data used for skills planning purposes. Of equal importance will be the management and dissemination of research outcomes on occupations in high demand and incremental building of career guidance in partnership with industry and various learning institutions through a number of platforms.
<b>Priority 4:</b> Ensure increased and focused skills development for rural and marginalised communities to ensure inclusivity.	The MICT SETA's rural strategy, linked to NSDP outcome 8, is aimed at increasing access to occupationally directed programmes for rural and previously disadvantaged communities (including townships). The MICT SETA strategy aims to respond to the President's Youth Employment Service, which is known as the "YES initiative". It aims to address the most pressing socio-economic challenges in the country, particularly around poverty and unemployment among the youth.
<b>Priority 5:</b> Increase access to, and delivery of industry and occupationally directed priority programmes and work placements.	The SETA will set realistic targets in collaboration with industry, ensure implementation through the allocation of discretionary grants and monitor Service Level Agreement deliverables as a way of addressing sectoral occupational shortages and skills gaps. This will prioritise the development of skills that enable 4IR occupations and specialisations such as network and systems engineering and cybersecurity specialists. One of the key strategies the SETA will employ is the expansion of opportunities for Work Integrated Learning and Internship programmes as they provide an effective bridge into employment and the general world of work.
<b>Priority 6:</b> Improve quality of education to address programmes in high demand within the MICT Sector.	The focus will be on the identification and development of occupational qualifications through the QCTO for occupations in high demand in consultation with the sector. These include occupations such as software tester, network engineer and ICT security specialist. Furthermore, the SETA will put in place mechanisms to prioritise 4IR related qualifications and increase the number of accredited skills development providers offering occupational qualifications in high demand on an annual basis. In the 2021/22 financial year, the SETA successfully addressed this strategic priority with a focus on the identification and development of occupational qualifications through the QCTO for occupations in high demand in consultation with the sector.



Outcome/priority area	Description
<p><b>Priority 7:</b> Enablement of the Fourth Industrial Revolution (4IR)</p>	<p>The MICT sector key skills change drivers articulated in Chapter 2 of the SSP are all centred on 4IR technologies. In response to the change brought about by 4IR, the SETA will provide support to enable the sector to play a key role in the development of technologies and products related to 4IR. This will be achieved through support by the SETA for the development of the skills required to research, develop and commercialise 4IR technologies and products. In recognising and planning for occupations that are on the National List of Occupations in High Demand and linked to 4IR, this priority action fulfils NSDP outcome 1, which calls for the identification and increase in the production of occupations in demand (examples include Cloud Architects in the Cloud Computing space and AI Specialists in the Artificial Intelligence space), and outcome 2, which speaks to linking education and the workplace.</p> <p>In addition, the SETA's strategy to provide support to enable the sector to play a key role in the development of technologies and products related to 4IR, directly contributes to the principles and enablers of the ERRP. The ERRP highlights a number of principles including strengthening the productive capacity of the economy. The ERRP states that 'necessary policy interventions will be put in place in order to ensure the building digital skills, digital capacity and competitiveness'. Specifically, an Artificial Intelligence Institute will be established and the necessary interventions will be made to increase broadband connectivity and create virtual classroom in 152 schools, and provide learners and workers with tools and training to be able to learn and work online. Furthermore, the impact of COVID-19 in relation to the enablement of 4IR cannot be ignored and, in implementing 4IR priority programmes, companies that have been, and will be impacted by COVID-19 are also accounted for in SETA strategies.</p>
<p><b>Priority 8:</b> Support the growth of the public college system through sectoral partnerships in the delivery of learning interventions.</p>	<p>The SETA will identify TVETs that have the potential for meaningful collaboration and enter into partnerships with them. These partnerships will recognise some of the TVETs as Centres of Specialisation, linking them with industry and ensuring that programmes offered are aligned to identified skills gaps for ease of learner placement on programmes such as WIL. Furthermore, the SETA will award bursaries to college lecturers for their continuous development and to enable them to become more adept with industry technological advancements.</p>
<p><b>Priority 9:</b> Supported career development services within the MICT sector.</p>	<p>MICT SETA conducts annual labour market and skills needs research for the development of a sector skills plan (SSP) that includes the identification of hard-to-fill vacancies and sectoral priority occupations. Based on these identified occupations, the MICT SETA researches and develops a scarce skills guide in hardcopy and in digital format. This scarce skills guide describes what these identified occupations entail, and what the learning pathways are to obtain qualifications that will prepare people for entry into these occupations. The guide is distributed to young people at career exhibitions and shows and can be accessed via the MICT SETA career portal.</p> <p>Career guidance counsellors and life orientation teachers are trained in the use of the guide to assist them with providing career guidance to young people.</p>

## MICT SETA Strategic Focus *(continued)*

### 5. EXTERNAL ENVIRONMENT ANALYSIS *(continued)*

#### 5.6 Findings of internal and external evaluations that will be used to inform this Strategic Plan

In achieving the NDP targets, the element of monitoring and evaluation becomes important in assessing progress made towards the achievement of targets. The MICT SETA has been consistent in conducting evaluation studies to measure its programmes' impact, the evaluated cohort was the 2018/19 cohort. The ultimate sample size recorded was 712 that gives a Confidence Interval (CI) of 2.9 with a Confidence Level (CL) of 95%. Findings from the evaluation conducted by the SETA revealed the following:

- The satisfaction with the MICT SETA programmes is high at an average of 74%. Similarly, reported programme relevance is high at 78%;
- There is an improvement in reported employment levels from 8% before MICT SETA programmes to 24% after the MICT SETA training;
- Reported average income improvement is evident from R1 257 before training to R2 322 per month after MICT SETA training;
- A relatively small proportion (11%) of the targeted cohort of learners have established their own businesses after the completion of their MICT SETA programmes, and
- Of the learners who have ventured into business operations, the majority (70%) took a year or more to set up and had to fund their start-ups using their own resources and/or loans/grants from family (76%).

The biggest reported impact and benefit of the MICT SETA training undertaken is related to skills acquisition:

- Life changed for the better for 60%;
- 58.1% feel more independent following their training;
- 77.7% more confident about future employment due to acquired skills;
- 90.8% have better/more skills. and
- 92.5% will apply the skills acquired in future.

Lack of jobs in the market is the principal explanation for surveyed learners' status of being unemployed and/or starting their own businesses. Some learners also cited the effects of the COVID-19 pandemic as one of the key barriers to securing employment or starting their businesses.

Furthermore, the study provided overall evaluation findings based on the Results Chain and DAC Criteria, a detailed analysis of transformation imperatives and the relevance, efficiency, effectiveness, impact and sustainability of programmes. Below is a summary of the findings in terms of the DAC criteria:



Table 10: Overall evaluation assessment summary

	Evaluation framework component	Evaluation framework components	Rating	
			Component	Overall
1	Transformation (NSDS III targets)	Entered Learners:		Partially Met
		• Age	Not Met	
		• Disability	Partially Met	
		• Gender	Not Met	
		• Race	Met	
		Completed Learners:		
		• Age	Not Met	
		• Disability	Partially Met	
		• Gender	Partially Met	
		• Race	Met	
2	Relevance	The extent to which the programmes are responsive to the needs of learners and employers	Met	Partially Met
		The extent to which the programmes’ achievements are relevant to the NSDS III targets and transformation imperatives	Partially Met	
		The extent to which the work of the programmes is appropriately positioned and focused	Partially Met	
3	Governance and management	Programme Planning	Exemplary	Met
		Resource Management	Exemplary	
		Risk Management	Partially Met	
		Reporting	Partially Met	
		Stakeholder Communications	Met	
4	Efficiency Activities (as defined by the results chain)	Establishing a credible institutional mechanism for skills planning	Partially Met	Met
		Increasing access to quality programmes	Met	
		Encouraging better use of workplace-based skills development	Met	
		Encouraging and supporting cooperatives, small enterprises, worker initiated, NGO and community training initiatives	Met	

## MICT SETA Strategic Focus *(continued)*

### 5. EXTERNAL ENVIRONMENT ANALYSIS *(continued)*

#### 5.6 Findings of internal and external evaluations that will be used to inform this Strategic Plan *(continued)*

	Evaluation framework component	Evaluation framework components	Rating	
			Component	Overall
5	Effectiveness	<b>Extent to which objectives were met:</b>		Partially Met
		• Establishing a credible institutional mechanism for skills planning	Partially Met	
		• Increasing access to quality programmes	Partially Met	
		• Encouraging better use of workplace-based skills development		
		• Encouraging and supporting cooperatives, small enterprises, worker initiated, NGO and community training initiatives	Met	
		<b>Outputs and outcomes (as defined by the results chain):</b>		
		• Establishing a credible institutional mechanism for skills planning	Partially Met	
		• Increasing access to quality programmes	Partially Met	
6	Impact (As defined by the results chain)	Increased Employment in Alignment to the Transformation Imperatives	Partially Met	Met
		Increased Earning Capacity for Learners	Partially Met	
		Increased Career Advancement for Learners	Partially Met	
		Improved Qualifications for Learners	Met	
		Sustained Employment for Learners	Met	
		Increased the size of the MICT Co-operative sub-sector	Exemplary	
		Increased the size of the MICT Small Business sub-sector	Exemplary	
		Improved the relationship between MICT SETA and NGOs, CBOs and labour unions	Met	



	Evaluation framework component	Evaluation framework components	Rating	
			Component	Overall
7	Sustainability	How likely are the abovementioned benefits of the Programme able to continue beyond the end of a Programme?	Met	Partially Met
		What are the risks emerging for the future of Programmes and their planned significance?	Partially Met	

Exemplary (80%-100%)

Met (66%-79%)

Partially Met (33%-65%)

Not Met (0%-32%)

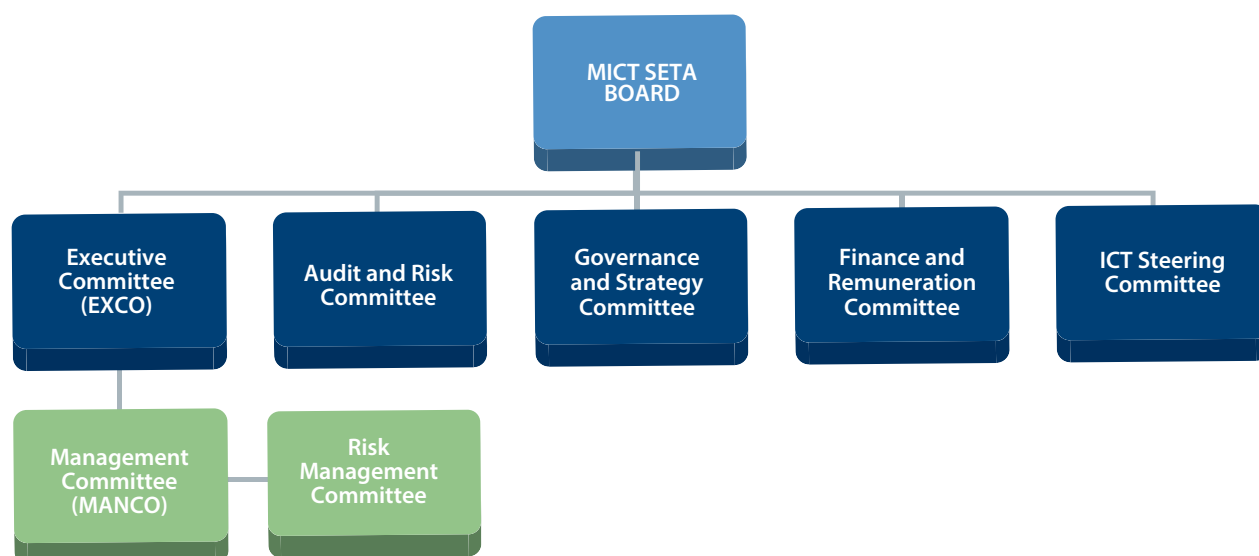
The programmes can be seen as partially successful in terms of increasing employment in alignment to transformation imperatives and increasing learners' earning capacity and career advancement, although marginal.

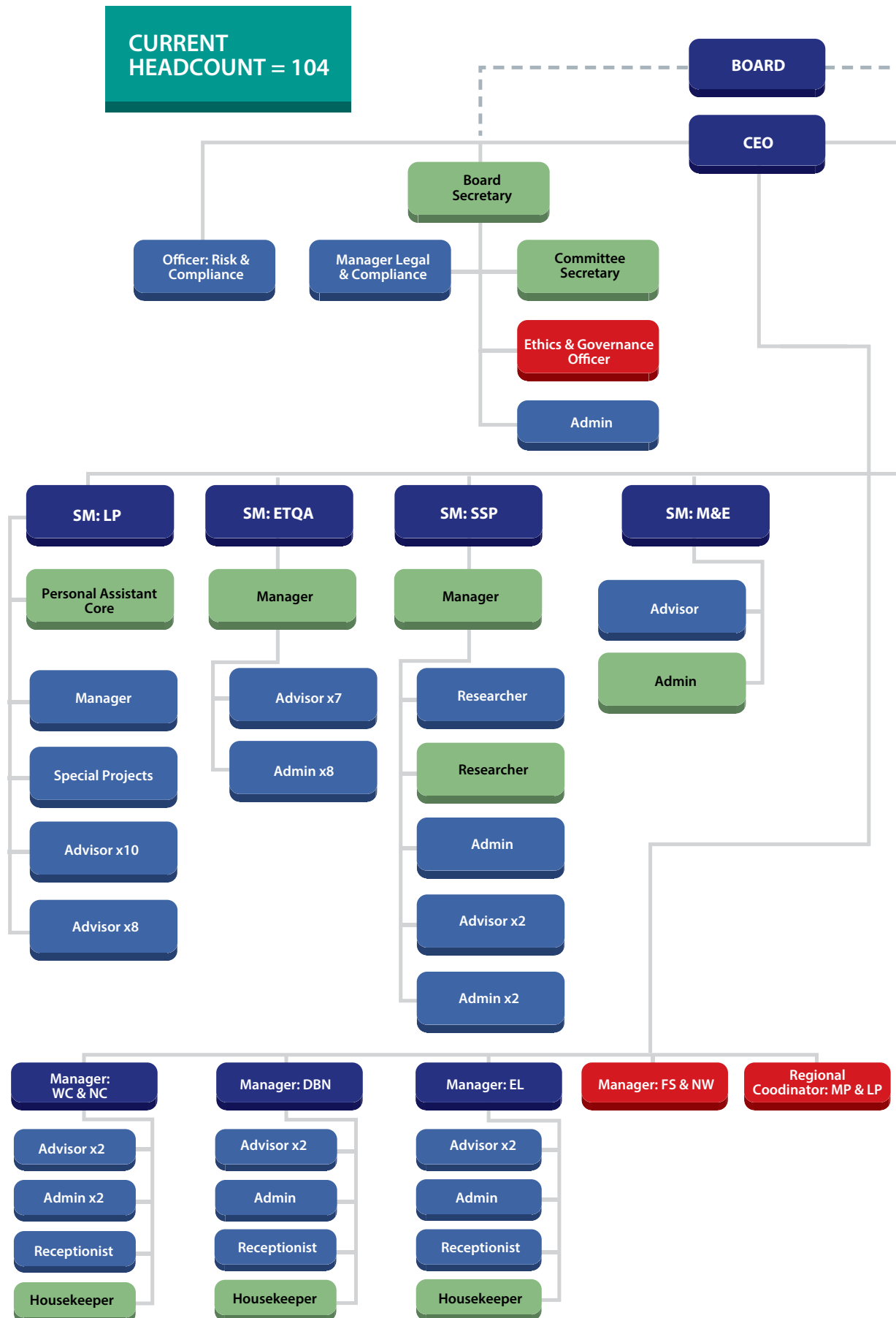
As a forward-looking strategy, the MICT SETA will continue with positive practices, propagate them through knowledge sharing sessions, and create awareness of successes to foster support and take-up. Furthermore, the SETA will keep abreast of relationships with employers and training providers and effect be a strong oversight and accountability measures that will attend to ineptitude. In conjunction with QCTO, the SETA will improve the consultative processes for updating or developing qualifications and part-qualifications, by accelerating the process to include interested parties.

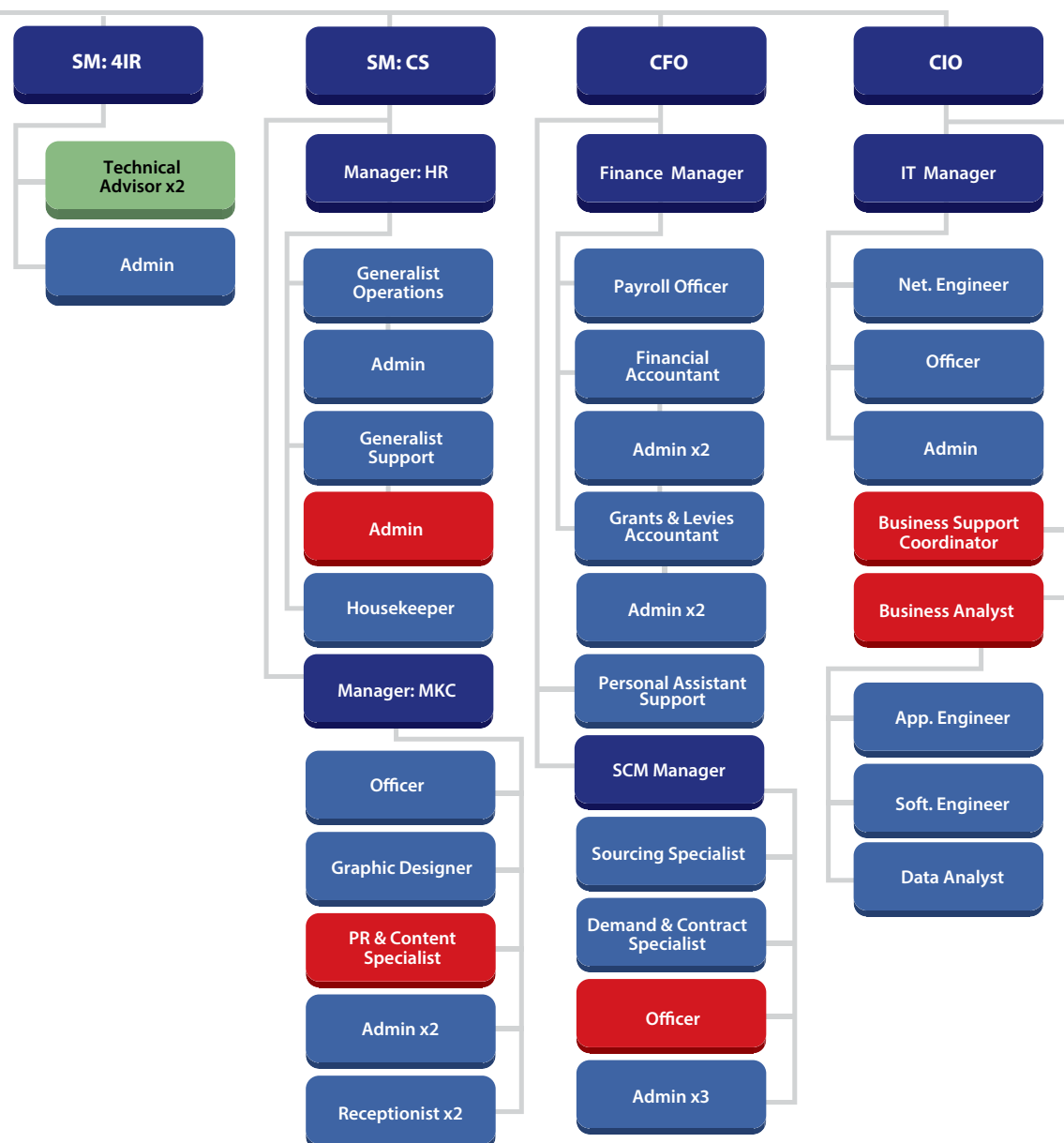
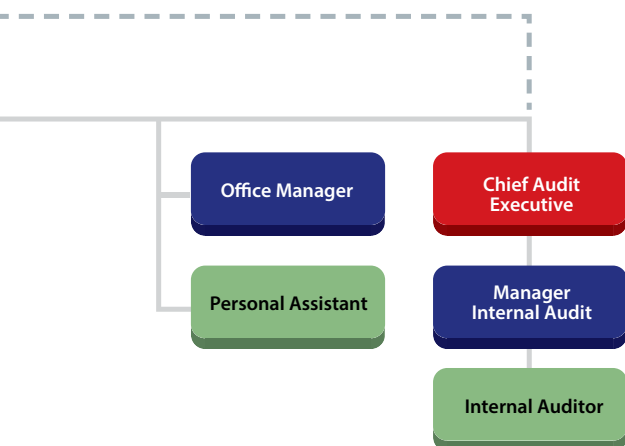
## 6. INTERNAL ENVIRONMENT ANALYSIS

### 6.1 MICT SETA capacity to deliver on the mandate

The SETA is governed by a representative Accounting Authority and its sub-committees to provide strategic direction to the organisation. The figure below represents the MICT SETA Accounting Authority and its Sub-Committees:







## MICT SETA Strategic Focus *(continued)*

### 6. INTERNAL ENVIRONMENT ANALYSIS *(continued)*

#### 6.1 MICT SETA capacity to deliver on the mandate *(continued)*

##### 6.1.1 Corporate services

The Corporate Services Division plays a key role within MICT SETA by providing support functions in the form of Human Resources and Marketing and Communications.

It is through these functions that the Corporate Services Division supports the MICT SETA Management, employees, social partners, and stakeholders in the process of fulfilling its legislative mandate.

The purpose of the HR function is to deliver HR support that enables MICT SETA employees to meet all stakeholder needs as timeously as possible.

##### HR objectives

- Driving HR excellence and innovation that leads to successful outcomes and moves MICT SETA forward while leveraging on its human resource capabilities.
- Deploying recruitment and retention strategies to attract and retain qualified and diverse individuals for the organisation
- Investing in employee development and expanding on our succession management programme that reinforces the principle of growing our own;

The MICT SETA comprises of 104 employees, the disaggregation is as follows:

**Table 11: MICT SETA employment by function**

Title	Number of employees
Administrators	34
Advisors	24
CEO	1
CFO	1
CIO	1
Board Secretary	0
Committee Secretary	0
Personal Assistant	2
Senior Managers	5
Receptionist	5
Interns	0
Managers	12
Housekeepers	1
Officers	5
Data Analyst	1
Applications Engineer	1

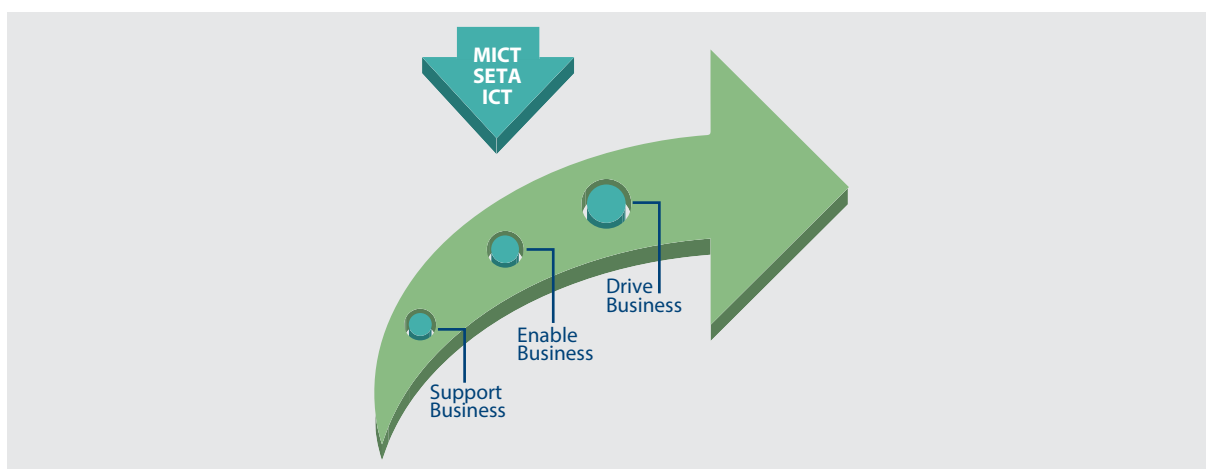
Title	Number of employees
Software Engineer	1
Network Engineer	1
Graphic Designer	1
Accountants	2
Internal Auditor	1
Sourcing Specialist	1
Special Projects	1
Researcher	1
HR Generalist	2
<b>Total</b>	<b>104</b>

Regular customer satisfaction surveys will be conducted to evaluate and ensure continuous improvement and to strengthen customer relations.

### 6.1.2 Information technology

The MICT SETA has embarked on a drive towards digital transformation. In its digital transformation journey, the organisation has set its medium to long-term goals to achieve digital business enablement, which seeks to transform all processes of the business. The ICT transformation journey to digitally transform the business shall evolve as depicted on the diagram below.

The diagram shows how ICT is currently making an impact in driving the business. The goal is to ensure that the MICT SETA thinks digital, works digital and its stakeholders use digital in their interaction with the SETA. This is currently lagging behind as can be seen within the value chain throughout the organisation. To achieve maximum impact, the driver for digital transformation is geared towards the intertwined factors.



The development and adoption of the MICT SETA Digital Strategy during the 2021/22 financial year enables a clear game plan towards adoption of 4IR, and will provide similar benefits in the 2022/23 and 2023/24 financial years respectively.

## MICT SETA Strategic Focus *(continued)*

### 6. INTERNAL ENVIRONMENT ANALYSIS *(continued)*

#### 6.2 Budget for Strategic Plan

##### 6.2.1 Financial resources

The SETA obtains its revenue from levies collected from its constituent employers as legislated through the Skills Development Levies (SDL) Act. Levies received are allocated in accordance with Mandatory Grants, Discretionary Grants and Administration costs as per the requirements of the SDL Act and the new SETA Grant Regulations (published in December 2012), to regulate the proportion of funds available for skills development and encourage training on National Qualifications Framework (NQF) registered qualifications. Other revenue sources include interest and penalties received on late SDL payments and interest on investments. The SETA is committed to service delivery improvement through a targeted website-based customer response program wherein seamless communication between SETA and its stakeholders is enabled. The budget summary is as follows:

##### Overview of 2022/23 to 2026/27 budget for the MTEF estimates

		Audited outcomes			
		2018/19	2019/20	2020/21	2021/22
		Actual R	Actual R	Actual R	Actual R
Description					
<b>Revenue</b>		<b>907 020 000</b>	<b>982 717 000</b>	<b>763 012 000</b>	<b>1 025 312 000</b>
<b>Levy income</b>		<b>866 992 000</b>	<b>938 277 000</b>	<b>622 257 000</b>	<b>973 990 000</b>
– Administration income	10.50%	113 801 000	123 154 000	81 750 000	127 307 000
– Mandatory income	20.00%	216 162 000	234 052 000	155 139 000	246 298 000
– Discretionary income	49.50%	537 029 000	581 071 000	385 368 000	600 385 000
Interest and penalties		13 099 000	17 596 000	12 663 000	13 946 000
Other income		379 000	190 000	116 413 000	22 598 000
Investment/interest income		26 550 000	26 654 000	11 679 000	14 778 000
<b>Expenditure</b>		<b>820 079 000</b>	<b>1 021 349 000</b>	<b>819 477 000</b>	<b>758 389 000</b>
Administration costs		92 835 000	96 360 000	101 842 000	122 461 000
Mandatory grants		166 826 000	175 082 000	120 888 000	175 978 000
Discretionary costs		560 418 000	749 907 000	596 747 000	437 677 000
DG admin					
Other expenses					22 273 000
<b>Special/strategic projects</b>					
<b>(4IR IT Capital costs + qualification development)</b>		–	–	–	–
<b>Surplus (deficit)</b>		<b>86 941 000</b>	<b>(38 632 000)</b>	<b>(56 465 000)</b>	<b>266 923 000</b>



Current	Revised	Medium term expenditure estimate			
2022/23 Approved budget R	2022/23 Proposed revised budget R	2023/24  Estimate R	2024/25  Estimate R	2025/26  Estimate R	2026/27  Estimate R
<b>1 008 914 855</b>	<b>1 068 578 373</b>	<b>1 050 551 353</b>	<b>1 051 675 042</b>	<b>1 052 854 916</b>	<b>1 054 093 783</b>
<b>994 172 855</b>	<b>1 028 077 573</b>	<b>1 028 077 573</b>	<b>1 028 077 573</b>	<b>1 028 077 573</b>	<b>1 028 077 573</b>
130 485 187	134 935 182	134 935 182	134 935 182	134 935 182	134 935 182
248 543 214	257 019 393	257 019 393	257 019 393	257 019 393	257 019 393
615 144 454	636 122 999	636 122 999	636 122 999	636 122 999	636 122 999
–	10 000 000	–	–	–	–
–	9 097 200	–	–	–	–
14 742 000	21 403 600	22 473 780	23 597 469	24 777 342	26 016 210
<b>1 008 914 855</b>	<b>1 068 578 373</b>	<b>1 084 285 149</b>	<b>1 051 675 042</b>	<b>1 052 854 916</b>	<b>1 054 093 783</b>
130 485 187	134 935 182	134 935 182	134 935 182	134 935 182	134 935 182
211 261 732	218 466 484	218 466 484	218 466 484	218 466 484	218 466 484
517 167 936	656 079 508	680 883 483	648 273 377	649 453 250	700 692 117
	9 097 200				
<b>150 000 000</b>	<b>50 000 000</b>	<b>50 000 000</b>	<b>50 000 000</b>	<b>50 000 000</b>	–
–	–	–	–	–	–



## MICT SETA Strategic Focus *(continued)*

### 6. INTERNAL ENVIRONMENT ANALYSIS *(continued)*

#### 6.2 Budget for Strategic Plan *(continued)*

##### 6.2.1 Financial resources *(continued)*

Description	Audited outcomes			
	2018/19	2019/20	2020/21	2021/22
	Actual %	Actual %	Actual %	Actual %
<b>Mandatory grants payout ratio</b>	<b>77.2</b>	<b>74.8</b>	<b>77.9</b>	<b>71.4</b>
<b>Administration ratio</b>	<b>8.6</b>	<b>8.2</b>	<b>13.1</b>	<b>10.1</b>
<b>Administration ratio (with special projects)</b>				<b>10.1</b>
<b>Average growth rates:</b>				
<b>Revenue</b>	<b>6</b>	<b>8</b>	<b>(18)</b>	<b>34</b>
Levy income	6	8	(31)	57
• Administration income	6	8	(31)	56
• Mandatory income	7	8	(32)	59
• Discretionary income	6	8	(31)	56
Interest and penalties	(24)	34	(28)	0
Other income	76	(50)	61 170	0
Investment/interest income	27	0	(56)	27
<b>Expenditure</b>	<b>(3)</b>	<b>25</b>	<b>(20)</b>	<b>(7)</b>
Administration costs	17	4	6	20
Mandatory grants	8	5	(31)	46
Discretionary costs	(8)	34	(20)	(27)
Special projects	0	0	0	100

Current	Revised	Medium term expenditure estimate			
2022/23 Approved budget %	2022/23 Proposed revised budget %	2023/24 Estimate %	2024/25 Estimate %	2025/26 Estimate %	2026/27 Estimate %
85.0 10.5	85.0 10.5	85.0 10.5	85.0 10.5	85.0 10.5	85.0 10.5
(2)	6	(2)	0	0	0
2	3	0	0	0	0
2	3	0	0	0	0
1	3	0	0	0	0
2	3	0	0	0	0
0	0	0	0	0	0
(100)	0	0	0	0	0
0	45	5	5	5	5
33	41	1	(3)	0	0
7	10	0	0	0	0
20	24	0	0	0	0
18	50	4	(5)	0	8
100	0	0	0	0	0

## MICT SETA Strategic Focus *(continued)*

### 6. INTERNAL ENVIRONMENT ANALYSIS *(continued)*

#### 6.2 Budget for Strategic Plan *(continued)*

##### 6.2.1 Financial resources *(continued)*

##### Budget and programmes reconciliation

Programme	Outcomes	Discretionary	Administration
<b>Programme 1:</b> Administration	Efficient Financial Management, Corporate Services, ICT Support and performance monitoring and evaluation to ensure effective governance.	N/A	The budget is allocated from the 10.5% administration portion of the total SETA budget. The budget for Programme 1 is R114 million, to assist the SETA in achieving the strategic goals set in the annual performance plan, in terms of digitalising current manual processes, maintaining effective internal controls and retaining current staff complement.
<b>Programme 2:</b> Sector Skills Planning	Increased and improved labour market information that accurately identifies occupations in high demand.	N/A	The budget allocated to achieve the programme objectives is R229 million for employers to implement the Work Skills Plan as well as R78 million for research and other admin related costs to achieve the targets set for the Sector Skills Plan.
	Supported career development services within the MICT sector.	N/A	



Programme	Outcomes	Discretionary	Administration
<b>Programme 3:</b> Learning Programmes 4IR	Supported growth of the public college system.		The budget allocated to achieve these strategic targets is R503.8 million for pivotal programmes and R126.0 million for non-pivotal programmes. The admin related project cost is R51.1 million
	Increased delivery on programmes that link Education and the Workplace.		
	Increased Workplace Training of workers already in employment.		
	Increased access to occupationally directed programmes.		
	Skills development support for entrepreneurship and cooperative development.		
	Increased skills development support for worker-initiated training.		
	A 4IR strategy that is responsive to skills requirements of the MICT sector.		
<b>Programme 4:</b> Education and Training Quality Assurance	Improved quality of education to address programmes in high demand within the MICT sector.	N/A	The budget allocated to achieve the set targets is R20.2 million, for qualification development, certification as well as other admin related costs.

## MICT SETA Strategic Focus *(continued)*

### 6. INTERNAL ENVIRONMENT ANALYSIS *(continued)*

#### 6.2 Budget for Strategic Plan *(continued)*

##### 6.2.1 Financial resources *(continued)*

2023/24 Levies budget calculation	R
<b>MICT SETA estimated levy income – 80%</b>	<b>1 079 481 452</b>
NSF allocation – 20%	269 870 363
Estimated levy income – 100%	1 349 351 815
	1 079 481 452
Administration income (10.5%)	141 681 941
Discretionary income (49.5%)	667 929 149
Mandatory income (20%)	269 870 363
Interest and penalties: SDL	–
Other Income – UIF project	–
Investment income	22 473 780
<b>Total Income</b>	<b>1 101 955 232</b>
<b>ASSUMPTIONS AND CONSIDERATIONS:</b>	
1. Annual inflation rate of 5% was applied on the latest levy data projection post SDL payment holiday.	
2. Interest and penalties have not been budgeted for due to its nature being uncertain.	
3. Interest income and unused surplus on Mandatory grants is transferred to Discretionary at year end.	
<b>UTILISATION:</b>	
Administration expenditure	141 681 941
Mandatory expenditure	229 389 809
Discretionary expenditure	680 883 483
Special projects (4IR system implementation + 4IR qualifications development)	50 000 000
Other expenses – UIF project	–
	<b>1 101 955 232</b>
Discretionary grant split	
– Pivotal	503 853 777
– Non-pivotal	125 963 444
	<b>629 817 222</b>
– Discretionary admin expenditure (7.5%)	51 066 261
	<b>680 883 483</b>

**2023/24 BUDGET SUMMARY – Level 1**

Description		2022/23 Approved budget R	2022/23 Proposed revised budget R	2023/24 Proposed budget R
<b>Total revenue</b>		<b>1 008 914 855</b>	<b>1 068 578 373</b>	<b>1 101 955 232</b>
Levy income		994 172 855	1 028 077 573	1 079 481 452
– Administration income	10.50%	130 485 187	134 935 182	141 681 941
– Mandatory income	20.00%	248 543 214	257 019 393	269 870 363
– Discretionary income	49.50%	615 144 454	636 122 999	667 929 149
Interest and penalties		–	10 000 000	–
Other income – UIF project		–	9 097 200	–
Investment/interest income		14 742 000	21 403 600	22 473 780
<b>Total expenditure</b>		<b>1 008 914 855</b>	<b>1 068 578 373</b>	<b>1 101 955 232</b>
Administration costs		130 485 187	134 935 182	141 681 941
Mandatory grants		211 261 732	218 466 484	229 389 809
Discretionary grants		517 167 936	656 079 508	680 883 483
<b>Other expenses</b>			<b>9 097 200</b>	
Special/strategic projects (4IR IT Capital costs + qualification development)		150 000 000	50 000 000	50 000 000
Surplus (deficit)		–	–	–

## MICT SETA Strategic Focus *(continued)*

### 6. INTERNAL ENVIRONMENT ANALYSIS *(continued)*

#### 6.2 Budget for Strategic Plan *(continued)*

##### 6.2.1 Financial resources *(continued)*

###### 2023/24 BUDGET SUMMARY – Level 2

	2021/22 Financial year	2022/23 Financial year	2022/23 Financial year	2023/24 Financial year	
	Audited actuals	Approved budget	Proposed revised budget	Proposed budget	
Description	R	R	R	R	
<b>Revenue</b>	<b>1 025 312 000</b>	<b>1 008 914 853</b>	<b>1 068 578 373</b>	<b>1 101 955 232</b>	
Levy income	974 182 000	994 172 853	1 028 077 573	1 079 481 452	
• Administration income (10.50%)	127 346 000	130 485 187	134 935 182	141 681 941	
• Mandatory income (20.00%)	246 266 000	248 543 213	257 019 393	269 870 363	
• Discretionary income (49.50%)	600 570 000	615 144 453	636 122 999	667 929 149	
<b>Other income – interest on bank and investments</b>	<b>51 130 000</b>	<b>14 742 000</b>	<b>40 500 800</b>	<b>22 473 780</b>	
Interest and penalties	13 946 000	–	10 000 000	–	
Other income – UIF	22 406 000	–	9 097 200	–	
Investment/interest income	14 778 000	14 742 000	21 403 600	22 473 780	
<b>Expenditure</b>	<b>758 389 000</b>	<b>1 008 914 853</b>	<b>1 068 578 373</b>	<b>1 101 955 232</b>	
<b>Administration costs</b>	<b>122 461 000</b>	<b>130 485 187</b>	<b>134 935 182</b>	<b>141 681 941</b>	
Audit fees	3 314 000	3 997 007	3 997 007	4 236 827	
Board and subcommittees expenses	7 087 000	6 506 533	7 506 533	6 896 925	





	Variance: Approved Budget vs 2021/22 Financial Year Actuals		Variance: Proposed budget vs 2022/23 Financial year approved budget		Commentary on Proposed Budget vs 2021/22 Financial Year Actuals (AC) vs 2022/23 Approved Budget (BU)
	R	%	R	%	
	<b>(16 397 147)</b>	<b>(2)</b>	<b>93 040 379</b>	<b>8</b>	
	19 990 853	2	85 308 599	8	AC: Proposed budget based on normal operations in a slow growing economy. BU: Adjusted for inflation.
	3 139 187	2	11 196 754	8	
	2 277 213	1	21 327 150	8	
	14 574 453	2	52 784 696	8	
	<b>(36 388 000)</b>	<b>(247)</b>	<b>7 731 780</b>	<b>34</b>	<b>AC: Decrease due to UIF project revenue not accounted for as the project is coming to an end in 2021/22 and intereseta transfers not budgeted for.</b> <b>BU: Increase due to increase in cash reserves and increase in the repo rate.</b>
	(13 946 000)	(100)	–	0	AC: SDL interest and penalties not budgeted for due to uncertainty of income. BU: On Par
	(22 406 000)	(100)	–	0	AC/BU: Decrease due to UIF project revenue not accounted for as the project is coming to an end in 2021/22 and intereseta transfers not budgeted for.
	(36 000)	0	7 731 780	34	AC: is on par against the budget. BU: Adjusted for resumption of normal operations and increase repo rates.
	<b>250 525 853</b>	<b>25</b>	<b>93 040 379</b>	<b>8</b>	
	<b>8 024 187</b>	<b>6</b>	<b>11 196 754</b>	<b>8</b>	<b>Based on 10.5% allocation.</b>
	683 007	17	239 820	6	AC: AC affected by pandemic, period where audit was halted and external audit strategy adjusted, that was normalise in the approved BU. BU: adjusted for inflation.
	(580 467)	(9)	390 392	6	AC: Prior year included additional special meetings. BU: Proposed BU include renewal of Board portal system and increased in training costs.

## MICT SETA Strategic Focus *(continued)*

### 6. INTERNAL ENVIRONMENT ANALYSIS *(continued)*

#### 6.2 Budget for Strategic Plan *(continued)*

##### 6.2.1 Financial resources *(continued)*

2023/24 BUDGET SUMMARY – Level 2					
	2021/22 Financial year	2022/23 Financial year	2022/23 Financial year	2023/24 Financial year	
	Audited actuals	Approved budget	Proposed revised budget	Proposed budget	
Description	R	R	R	R	
Building expenses	6 729 000	9 746 935	9 746 935	10 331 751	
Communication costs (office)	530 000	648 270	648 270	687 166	
Depreciation/amortisation	6 104 000	8 149 021	8 149 021	8 637 962	
Information technology expenses	10 939 000	7 175 700	7 175 700	15 114 963	
Legal, investigations and consulting fees	1 334 000	1 287 800	2 787 800	3 000 000	
Marketing costs	2 916 000	2 500 000	2 500 000	5 450 000	
Other costs	9 932 000	3 318 650	3 318 650	2 931 247	
QCTO and qualification development	7 113 000	7 204 000	7 204 000	6 507 600	



	Variance: Approved Budget vs 2021/22 Financial Year Actuals		Variance: Proposed budget vs 2022/23 Financial year approved budget		Commentary on Proposed Budget vs 2021/22 Financial Year Actuals (AC) vs 2022/23 Approved Budget (BU)
	R	%	R	%	
	3 017 935	31	584 816	6	AC: Proposed budget adjusted the renewal of the three regional offices contracts that is expected to come at an increased costs. Electricity costs were factored in at an increase of an average of 20% per annum. BU: adjusted for inflation
	118 270	18	38 896	6	AC: Covid-19 impact resulting in less telephone costs due to virtual meetings and usage of MS Teams. BU: Adjusted for inflation
	2 045 021	25	488 941	6	AC/BU: System development was concluded towards the end of 2022 and part of 2023, whilst it is budgeted for in full in 2023/24.
	(3 763 300)	(52)	7 939 263	53	AC: ICT other costs are included in the Digital strategy. BU: ICT digital strategy contracts, included as normal running costs.
	(46 200)	(4)	1 712 200	57	AC: Normal operation expected. BU: Legal costs relating to SCM contracts and normal operations.
	(416 000)	(17)	2 950 000	54	AC: More marketing happened in actuals due post Covid-19, BU expected to normalise. BU: More Marketing activities planned for the budget period.
	(6 613 350)	(199)	(387 403)	(13)	Other costs include Provision for bad debt, stationery, printing, interest paid, operating leases and COVID-19 expenses. COVID-19 expenses expected to decrease due to increase in vaccination drive by government.
	91 000	1	(696 400)	(11)	AC: only include QCTO expense whilst BU incorporated qualification development. BU: Proposed budget based on the approved QCTO calculation from DHET. Qualification development budgeted for as part of DG admin costs.

## MICT SETA Strategic Focus *(continued)*

### 6. INTERNAL ENVIRONMENT ANALYSIS *(continued)*

#### 6.2 Budget for Strategic Plan *(continued)*

##### 6.2.1 Financial resources *(continued)*

2023/24 BUDGET SUMMARY – Level 2					
	2021/22 Financial year	2022/23 Financial year	2022/23 Financial year	2023/24 Financial year	
	Audited actuals	Approved budget	Proposed revised budget	Proposed budget	
Description	R	R	R	R	
Repairs and maintenance	457 000	787 500	787 500	787 500	
Research	1 213 000	1 000 000	1 000 000	2 000 000	
Staff costs	63 132 000	78 063 771	80 013 766	74 000 000	
Travel costs	1 661 000	100 000	100 000	1 100 000	
<b>Mandatory grants</b>	<b>175 978 000</b>	<b>211 261 731</b>	<b>218 466 484</b>	<b>229 389 809</b>	
<b>Discretionary grants</b>	<b>437 677 000</b>	<b>517 167 936</b>	<b>656 079 508</b>	<b>680 883 483</b>	
<b>UIF expense</b>	<b>22 273 000</b>	<b>–</b>	<b>9 097 200</b>	<b>–</b>	
<b>Special/strategic projects (4IR IT Capital)</b>	<b>–</b>	<b>150 000 000</b>	<b>50 000 000</b>	<b>50 000 000</b>	
<b>Surplus/(deficit)</b>	<b>266 923 000</b>	<b>–</b>	<b>–</b>	<b>–</b>	



	Variance: Approved Budget vs 2021/22 Financial Year Actuals		Variance: Proposed budget vs 2022/23 Financial year approved budget		Commentary on Proposed Budget vs 2021/22 Financial Year Actuals (AC) vs 2022/23 Approved Budget (BU)
	R	%	R	%	
	330 500	42	–	0	Proposed budget include any additional adhoc repairs and maintenance costs.
	(213 000)	(21)	1 000 000	50	Comprises of impact or tracer study project on MICT SETA's rural strategy planned to be undertaken in the budget. Additional research expected for projects included in the MICT SETA Research Agenda.
	14 931 771	19	(4 063 771)	(5)	AC: '2022/23 financial year: fully capacitated, including increased headcount approved during 2021/22 financial year: position were vacant.  BU: '2023/24 financial year: Salary bill adjusted for 7% inflation plus 3% performance related increases plus effect of Job grading. Learning programme salary bill is included as part of DG admin costs.
	(1 561 000)	(1561)	1 000 000	91	AC/BU : Major travel costs relating to Learning Programme division, therefore it is covered under (7.5%).Discretionary Grants admin budget.  BU: Proposed budget include international travel in the office of the CEO and ETQA local travel.
	<b>35 283 731</b>	<b>17</b>	<b>18 128 077</b>	<b>8</b>	<b>Based on 20% allocation, with a 85% payout rate.</b>
	<b>79 490 936</b>	<b>15</b>	<b>163 715 547</b>	<b>24</b>	<b>AC/BU: Based on 49.5% allocation adjusted for special projects plus other income swept to DG as per SDLA BU: Based on 49.5% including Discretionary Grant admin cost of 7.5%</b>
	(22 273 000)	(100)	–	0	MICT SETA/UIF learnership contract expected to come to an end in 2022 financial year.
	150 000 000	100	(100 000 000)	(200)	4IR IT capital costs + 4IR Qualification Development included as part of approved Digital Strategy projects.  BU: Most costs expected to be normal ICT costs.
	(266 923 000)	–	–		

## MICT SETA Strategic Focus *(continued)*

### 6. INTERNAL ENVIRONMENT ANALYSIS *(continued)*

#### 6.2 Budget for Strategic Plan *(continued)*

##### 6.2.2 MICT SETA status on compliance with B-BBEE Act

The fundamental objectives of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003) are to (1) Promote the achievement of the constitutional right to equality, (2) Increase broad-based and effective participation of Black people in the economy, (3) Promote a higher growth rate, increased employment and more equitable income distribution; and (4) Establish a national policy on broad-based Black economic empowerment so as to promote the economic unity of the nation, protect the common market, and promote equal opportunity and equal access to government services.

##### 6.2.3 MICT SETA Status on compliance with women and people living with disabilities legislative requirements

In contributing to the decrees of this Act, the MICT SETA will ensure that steps are taken to prevent discrimination in any employment policy or practice. The MICT SETA will ensure that unfair discrimination with regards to race, sex, pregnancy, HIV status, religion and people living with disabilities, amongst others, will be curbed at all times. In achieving this, the SETA will prioritise women and people living with disabilities. The table below demonstrates the MICT SETA commitment to Employment Equity in terms of race and gender.

The total staff headcount is 118, which is made up as follows:

**Table 12: Key demographics of MICT SETA**

Occupational levels	Male					Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	M	F		
Top management	1	0	0	0	0	0	0	0	0	0	1	
Senior management	2	0	0	0	4	1	0	0	0	0	7	
Professionally qualified and experienced specialists and mid-management	5	0	0	0	7	1	0	0	0	0	13	
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	13	0	0	0	29	0	1	0	0	0	43	
Semi-skilled and discretionary decision making	20	0	0	0	18	1	0	0	0	0	39	
Unskilled and defined decision making	0	0	0	0	1	0	0	0	0	0	1	
Total permanent	41	0	0	0	59	3	1	0	0	0	104	
Temporary employees	4	1	0	0	9	0	0	0	0	0	14	
Grand total	45	1	0	0	68	3	1	0	0	0	118	





## **PART C: MEASURING MICT SETA PERFORMANCE**

## Measuring MICT SETA Performance

Table 13: Audited performance of MICT

SETA	Audited actual performance					Totals
	2017/18	2018/19	2019/20	2020/21	2021/22	
Number of qualifying unemployed/employed learners entering Learnerships on an annual basis.	2 890	3 593	3 612	3 782	3 850	17 727
Number of qualifying unemployed/employed learners receiving Bursaries on an annual basis.	706	443	421	505	559	2 634
Number of qualifying TVET/University students placed at workplaces on an annual basis.	678	1 461	878	1 192	1307	5 516
Number of TVET/University students completed workplace experience on an annual basis.	849	434	501	576	1219	3 579
Number of qualifying unemployed learners entering Internship programmes on an annual basis.	1 673	1 567	1 453	1 015	909	6 617
Number of qualifying unemployed learners entering Skills/Short programmes on an annual basis.	1 633	3 562	4 408	2 718	1 019	13 340
Number of unemployed/employed learners completing Learnership programmes on an annual basis.	1 056	1 596	2 548	2 630	814	8 644
Number of unemployed/employed learners completing Bursary programmes on an annual basis.	183	175	404	229	146	1 137
Number of unemployed learners completing Internship programmes on an annual basis.	573	887	1 021	812	739	4 032
Number of unemployed/employed learners completing Skills Programmes on an annual basis.	1 124	1 192	1 434	1 835	855	6 440
SETA/TVET College Partnerships established on an annual basis.	5	8	7	19	47	86
Number of Collaborative Agreements signed with Universities and Stakeholders on an annual basis.	4	14	6	62	37	123
Number of qualifying Lecturers entering Development Programmes on an annual basis.	156	104	107	32	50	449
Number of Lecturers completed Development Programmes on an annual basis.	116	104	91	0	0	311
Number of Rural development programmes implemented on an annual basis.	12	9	20	34	190	265





## 7. INSTITUTIONAL PERFORMANCE INFORMATION

MICT SETA's performance information shows the extent to which the institution is meeting its strategic intent and realising its intended impact and enables the SETA to determine which policies and processes are working. This information also plays a pivotal role of informing budgeting and will therefore be used to monitor service delivery.

### 7.1 Trend analysis based on annual reports and end term reports that will inform the strategy going forward.

The MICT SETA will continue to strive towards the continuous improvement of planning and implementation efforts, as well as the constant monitoring of sector-related changes and developments. It will continue to support the implementation of demand-led learning programmes that afford beneficiaries opportunities for sustainable growth, mobility and progression. The table below presents the SETA's performance for the previous five-year period of the Annual Performance Plan (2016/17 to 2020/21).

### 7.2 Measuring impact

<b>Impact statement</b>	An agile organisation that supports the development of cutting-edge, creative and innovative skills for sustainable employment and entrepreneurship by 2025.
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### 7.3 Measuring outcomes

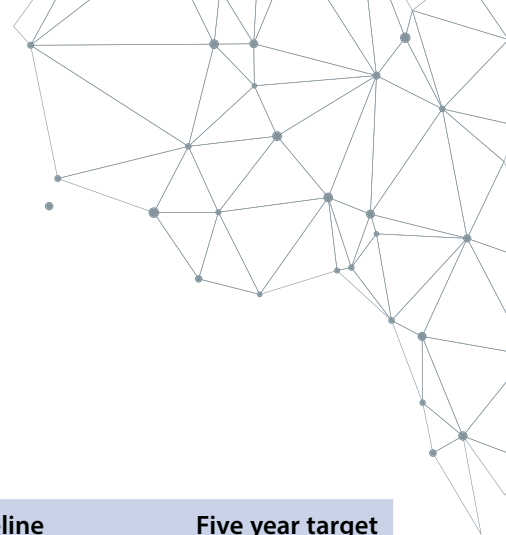
Outcome	Outcome indicator	Baseline	Five year target
<b>Outcome 2:</b> Good corporate governance and a productive workforce	Obtaining an unqualified AG audit opinion	2014/15–2016/17 Clean Audit. 2017/18–2019/20 Unqualified Audit. 2020/21 Clean Audit.	<b>5</b>
	Percentage vacancy rate at the end of each financial year	15%	<b>15% per year</b>
	Percentage implementation of approved training plan	New target	<b>70% in 2023/24 75% in 2024/25 80% in 2025/26</b>
	Number of business processes digitised in line with the Business Processes Automation Plan	Eight business processes	<b>38</b>
	Number of monitoring reports submitted	New target	<b>24</b>
	Percentage implementation of internal audit plan	New target	<b>100%</b>
	Percentage of activities completed on the risk management plan	New target	<b>100%</b>
	Number of governance charter reports submitted to DHET	New target	<b>8</b>

## Measuring MICT SETA Performance *(continued)*

### 7. INSTITUTIONAL PERFORMANCE INFORMATION *(continued)*

#### 7.3 Measuring outcomes *(continued)*

Outcome	Outcome indicator	Baseline	Five year target
<b>Outcome 3:</b> Increase and improve labour market information that accurately identifies occupations in high demand.	Percentage of WSP/ATR applications evaluated	New target	<b>100%</b>
	Accounting Authority (AA) approved Sector Skills Plan submitted to DHET	One SSP submitted	<b>5</b>
	Number of evaluation studies conducted.	One evaluation study	<b>5</b>
<b>Outcome 9:</b> Supported career development services within the MICT sector.	Number of career opportunities guides with labour market information distributed	3000 distributed.	<b>19 500</b>
	Number of Career Development events on occupations in high demand attended.	50 Strategic Career Events attended	<b>277</b>
	Number of Career development practitioners trained	30 Career development practitioners trained	<b>240</b>
	Number of capacity building workshops on career development services hosted.	Two capacity building workshops hosted	<b>16</b>
<b>Outcome 5:</b> Increased access to, and delivery of industry and occupationally directed priority programmes and work placements.	Unemployed learners entering and completing learning programmes	7 004 unemployed learners entering learning programmes	<b>41 768</b>
		6 704 unemployed learners completing learning programmes	<b>20 605</b>



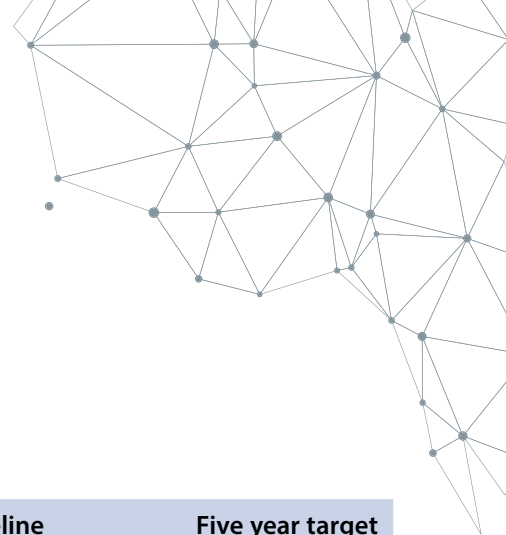
Outcome	Outcome indicator	Baseline	Five year target
<b>Outcome 5:</b> Increased access to, and delivery of industry and occupationally directed priority programmes and work placements.	Employed learners entering and completing learning programmes	549 employed learners entering learning programmes	<b>1 673</b>
		222 employed learners completing learning programmes	<b>1 027</b>
	Employed learners entering and completing Recognition of Prior Learning (RPL) programmes	60 Employed learners entering Recognition of Prior Learning (RPL) programmes	<b>370</b>
		40 Employed learners completing Recognition of Prior Learning (RPL) programmes	<b>137</b>
	Worker-initiated skills development (federations/trade unions) interventions supported	200 worker-initiated skills development (federations/trade unions) interventions supported	<b>750</b>
<b>Outcome 4:</b> Increase focused skills development interventions for rural and marginalised communities to ensure inclusivity	Rural skills development projects approved and implemented	40 rural skills development projects approved and implemented	<b>180</b>
<b>Outcome 1:</b> Support the sustainability and growth of SMMEs, Entrepreneurship, Cooperatives and community-based organisations	Small Enterprises (SEs) supported through skills development interventions	150 Small Enterprises (SEs) supported through skills development interventions	<b>700</b>

## Measuring MICT SETA Performance *(continued)*

### 7. INSTITUTIONAL PERFORMANCE INFORMATION *(continued)*

#### 7.3 Measuring outcomes *(continued)*

Outcome	Outcome indicator	Baseline	Five year target
	Skills development interventions supported for members/employees of Co-operatives	150 Skills development interventions supported for members/employees of Co-operatives	560
	People trained on entrepreneurship programmes	100 people trained on entrepreneurship programmes	600
	Skills development interventions supported for members/employees of NGOs/NPOs/CBOs	150 skills development interventions supported for members/employees of NGOs/NPOs/CBOs	600
<b>Outcome 6:</b> Enable the growth of the public college system through sectoral partnerships in the delivery of learning interventions	Centres of Specialisation supported	Ten Centres of Specialisation supported	47
	TVET lecturers exposed to the industry through skills programmes	120 TVET lecturers exposed to the industry through skills programmes	401
	TVET lecturers awarded bursaries	New target	295
	CET college lecturers exposed to skills development programmes	New target	335
	Partnerships established with universities	26 partnerships with HETs	110
	Partnerships with TVET colleges established	New target	328
	CET partnerships established	New Target	81



Outcome	Outcome indicator	Baseline	Five year target
<b>Outcome 6:</b> Enablement of the Fourth Industrial Revolution (4IR)	New 4IR partnerships established to implement 4IR initiatives in the MICT sector	New target	<b>130</b>
	Students funded under established 4IR Research Chairs	New target	<b>317</b>
	4IR occupational qualifications developed	New target	<b>45</b>
	Learning laboratories supported in collaboration with industry partners	New target	<b>45</b>
	Skills competitions conducted in partnership with stakeholders	New target	<b>25</b>
<b>Outcome 8:</b> Improve the quality of education to address programmes in high demand within the MICT Sector.	Exit verifications conducted to ensure completion of historical and occupational programmes	New Target	<b>700</b>
	Training providers accredited for historical and occupational programmes	573 Accredited Training Providers	<b>2 470</b>
	Qualified Subject Matter Experts conducting assessment of occupational programmes	New target	<b>315</b>
	Constituent moderators moderating quality of programmes	1 007	<b>1 836</b>
	Realigned and developed MICT SETA relevant qualifications submitted to the QCTO	8	<b>34</b>
	Registered assessment Centres for the implementation of the External Integrated Summative Assessment (EISA)	New target	<b>27</b>

## Measuring MICT SETA Performance *(continued)*

### 7. INSTITUTIONAL PERFORMANCE INFORMATION *(continued)*

#### 7.4 Explanations of planned performance over a five-year planning period

The MICT SETA, with the planned outcomes as outlined above seeks to contribute to the NDP in terms of skills development programmes, allocating its limited resources with the purpose, to ensure efficiency in the delivery of outcomes. The element of monitoring these resources will be through sound financial and supply chain management systems and processes, meaning that there will be continuous timeous management accounts and alignment to operational and procurement plans on an annual basis. The oversight of this will be through an increased role from the SETAs Accounting Authority and sub-committees paying close attention to financial and non-financial performance, and strict oversight on corrupt and fraudulent activities.

Furthermore, the vision and mission of the MICT SETA can only manifest through having an agile organisation through efficient processes, dedicated human capital and maintaining good governance and effective stakeholder relations. Simply, this means that the SETA will need to continue recruiting a talented and capable workforce to implement the organisational mandate. This will also depend entirely on raising awareness to increase stakeholder participation in MICT initiatives.

The allocation of resources, as a broader goal to achieve skills development at a national level, depends on the MICT SETA having a comprehensive mechanism for sector skills planning. This means that the SETA should consistently identify shortages and skills gaps in the sector to enable resource allocation to be directed in the right areas through learning programmes. Career guides used by the SETA contribute to a wider system in which the SETA can have a broader reach in rural areas and to disadvantaged people such as people living with disabilities, making them aware of possible opportunities that exist.

In understanding that efforts or outcomes by the SETA are linked to contributing to one common goal, which is achieving the targets of the NDP in terms of skills development, the SETA, through its research division, will ensure that scarce and critical skills are identified and that investment is funnelled to the right programmes which will contribute to increased production of occupations in high demand. The interventions will be effected through respective learnerships, internships, skills programmes, bursaries, short programmes, etc. The aim is to increase delivery on programmes that link education and the workplace and the aforementioned can create a path for that to happen. For this planning period, SETA implementation targets will align with both the NSDP and the ERRP outcomes and interventions that find expression in the MICT SETA scope. The partnerships with TVETs will not be side-lined, but will remain key to programmes implementation.

Focused attention will be on the annual delivery of quality programmes through development of fit for purpose learning programmes and qualifications, accreditation of skills development providers, and increased monitoring and evaluation on occupational qualifications that are high demand

Responding to the 4IR to create a capable South African youth, that is employable and also able to start businesses and produce products such as cell phone sim cards for exportation. The SETA understands its role in this gap and will continue to align its strategies to respond to 4IR.



## 7.5 Updated key risks and mitigation from the SP

Outcomes	Key risks	Risk mitigations
<b>Outcome 5:</b> Increase access to, and delivery of industry and occupationally directed priority programmes and work placements	Inability of the Skills Development Providers (SDPs) to record the required categories of data as mandated by SAQA and DHET	<ul style="list-style-type: none"> <li>• Learner enrolment spreadsheet developed and issued to SDP's for import into the LMIS</li> <li>• Tracking of all accreditation updates and ETD Practitioner updates and submission to the LMIS provider for updating of the system.</li> <li>• Recording learner certification on a Master Spreadsheet which includes certificate number and issuing to LMIS Provider for update in the system.</li> </ul>
<b>Outcome 2:</b> Good corporate governance and a productive workforce	ICT Failure	<ul style="list-style-type: none"> <li>• Digital Strategy approved</li> <li>• Digital Strategy Implementation Plan approved</li> <li>• Digital Strategy budget approved for implementation</li> <li>• ICT Policy Review Plan in place</li> <li>• ICT Policies approved by the CEO</li> <li>• ICT Governance Policy developed</li> </ul>
<b>Outcome 2:</b> Good corporate governance and a productive workforce	Inability to retain key staff	<ul style="list-style-type: none"> <li>• Benchmark of salaries</li> <li>• Exit Interviews</li> <li>• Trend analysis by Divisions</li> <li>• Formal and informal engagements with staff</li> </ul>
<b>Outcome 2:</b> Good corporate governance and a productive workforce	Inability to continue business operations due to disasters, business disruptions at the normal site of operations	<ul style="list-style-type: none"> <li>• Draft ICT Service Continuity/DR Plan in place</li> <li>• Users allocated laptops, LTE dongles and SIM cards</li> <li>• Sage ERP system hosted offsite</li> <li>• IMS Skills system hosted offsite</li> <li>• Office 365 (O365) hosted on the cloud</li> <li>• Website hosted offsite</li> <li>• Approved Business Continuity Plan in place</li> <li>• Establishment and training of the OHS Committee to manage emergencies in the workplace</li> </ul>



## Measuring MICT SETA Performance *(continued)*

### 7. INSTITUTIONAL PERFORMANCE INFORMATION *(continued)*

#### 7.5 Updated key risks and mitigation from the SP *(continued)*

Outcomes	Key risks	Risk mitigations
<p><b>Outcome 1:</b> Support the sustainability and growth of SMMEs, Entrepreneurship, Cooperatives and Community-Based Organisations</p> <p><b>Outcome 4:</b> Increase focused skills development interventions for rural and marginalised communities to ensure inclusivity</p> <p><b>Outcome 5:</b> Increase access to, and delivery of industry and occupationally directed priority programmes and work placements</p> <p><b>Outcome 6:</b> Enablement of the Fourth Industrial Revolution (4IR)</p> <p><b>Outcome 7:</b> Enable the growth of the public college system through sectoral partnerships in the delivery of learning interventions</p>	<p>Failure by stakeholders to implement programmes in accordance with the Service Level Agreement stipulations</p>	<ul style="list-style-type: none"> <li>• Signed MICT SETA and Employers SLA's in place.</li> <li>• No approval of any program without onsite vetting process by LPD Advisor.</li> <li>• Effective programme management, monitoring and evaluation processes in place.</li> <li>• Programme rollout plan submitted to LPD department prior to the implementation of programme.</li> <li>• Policy and procedures in place to determine suitability of participating workplaces.</li> <li>• Strong partnerships established between the SETA, MICT employers, TVET colleges and Universities.</li> <li>• Entrepreneurship development strategy in place.</li> </ul>
<p><b>Outcome 2:</b> Good corporate governance and a productive workforce</p>	<p>Failure to eliminate fraud and corruption</p>	<ul style="list-style-type: none"> <li>• Annual Declaration of interest by all MICT SETA staff</li> <li>• Declarations on every sitting where decisions are made</li> <li>• Fraud Prevention Policy and Plan in place. Whistle Blowing Policy in place</li> <li>• Functional Whistle Blowing hotline, for reporting of allegations of fraud and corruption</li> </ul>



# **TECHNICAL INDICATOR DESCRIPTORS (TIDS)**

# Technical Indicator Descriptors (TIDS)

## PROGRAMME 1: ADMINISTRATION

### Sub-programme 1.1: Finance

Indicator title	Obtaining an unqualified AG audit opinion
<b>Definition</b>	Ensure financial prudence through the attainment of an audit opinion that is free of material findings from the Auditor General (AG).
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Audit report from the AGSA</li> <li>• Management report from the AGSA</li> <li>• Audited Annual Financial Statements</li> </ul>
<b>Method of calculation/assessment</b>	Simple count: Each audit opinion is counted once
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Audit report from the AGSA</li> <li>• AGSA management report</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Adequate and proficient Human Capital</li> <li>• Functional Financial Management System</li> <li>• Functional Learner Management System</li> <li>• Explicit processes and procedures</li> <li>• Approved Budget</li> </ul>
<b>Disaggregation of beneficiaries (Where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Non-cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	Unqualified audit opinion.
<b>Indicator responsibility</b>	Chief Financial Officer

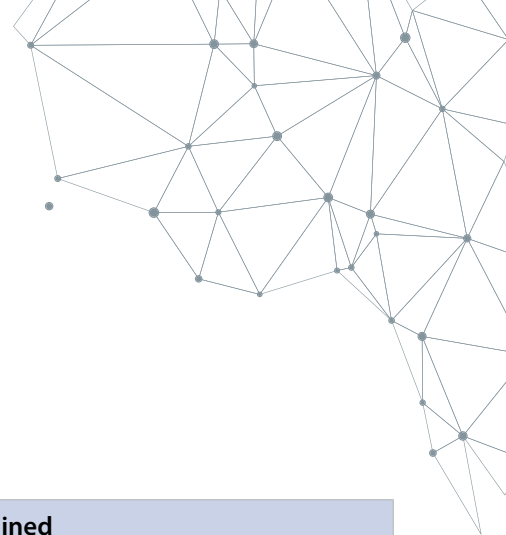


### Sub-programme 1.2: Marketing and communications

Indicator title	Number of career opportunities guide with labour market information distributed
<b>Definition</b>	Distribution of a career opportunities guide to communicate career opportunities within the MICT sector
<b>Source of data</b>	Approved Sector Skills Plan
<b>Method of calculation/assessment</b>	Simple count: Each career opportunities guide distributed is counted separately and once every year.
<b>Means of verification</b>	Proof of distribution: <ul style="list-style-type: none"> <li>• Career Guide Acknowledgement of receipt or attendance lists</li> </ul>
<b>Assumptions</b>	Approved budget
<b>Calculation type</b>	Cumulative
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	Rural and urban
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	4 000 career opportunities guides are distributed
<b>Indicator responsibility</b>	Senior Manager: Corporate Services

## Technical Indicator Descriptors (TIDS) *(continued)*

Indicator title	Number of Career Development Events on occupations in high demand attended
<b>Definition</b>	Attendance of career events by the MICT SETA, driven by its sector, DHET and other government departments to communicate career opportunities within the MICT sector.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Career opportunities guide</li> <li>• Invitations</li> </ul>
<b>Method of calculation/assessment</b>	Simple count: Each career event is counted separately and once every year.
<b>Means of verification</b>	Attendance registers
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Availability of career opportunities guide</li> <li>• Approved budget</li> <li>• HR capacity</li> </ul>
<b>Disaggregation of beneficiaries</b>	N/A
<b>Spatial transformation</b>	Rural and urban
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	55 Career Events are attended
<b>Indicator responsibility</b>	Senior Manager: Corporate Services



Indicator title	Number of career development practitioners trained
<b>Definition</b>	Training of career development practitioners to capacitate learners to make informed choices about the mict sectoral occupations and to showcase career opportunities within the mict sector.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Career opportunities guide</li> <li>• Invitations</li> <li>• Training manual</li> </ul>
<b>Method of calculation/assessment</b>	Simple count: Each career development practitioner trained is counted separately and once every year.
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Attendance registers</li> <li>• Programme of events</li> <li>• Training summary report</li> </ul>
<b>Disaggregation</b>	<ul style="list-style-type: none"> <li>• Black</li> <li>• Female</li> <li>• Youth</li> </ul>
<b>Spatial transformation</b>	Rural and urban
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Availability of Career Opportunities Guide</li> <li>• Availability of Career Development Practitioners</li> <li>• Approved budget</li> <li>• HR capacity</li> </ul>
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	40 career development practitioners are trained.
<b>Indicator responsibility</b>	Senior Manager: Corporate Services.

## Technical Indicator Descriptors (TIDS) *(continued)*

Indicator title	Number of capacity building workshops on career development services hosted
<b>Definition</b>	Capacity building workshops on career development services initiated to provide orientation to career development and information on post-school education and training opportunities.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Career opportunities guide</li> <li>• Invitations</li> </ul>
<b>Method of calculation/assessment</b>	Simple count: Each career development workshop is counted separately and once every year.
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Attendance registers</li> <li>• Workshop programmes</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Availability of career opportunities guide</li> <li>• Approved budget</li> <li>• HR capacity</li> </ul>
<b>Disaggregation</b>	N/A
<b>Spatial transformation</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Two capacity building workshops hosted
<b>Indicator responsibility</b>	Senior Manager: Corporate Services



### Sub-programme 1.3: Human resources

Indicator title	Percentage vacancy rate maintained
<b>Definition</b>	Maintain vacancy rate of below 15% to make sure that the SETA has adequate staff to implement its mandate.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Payroll report</li> <li>• HR administration files</li> </ul>
<b>Method of calculation/assessment</b>	<p>Simple count of total number of vacant positions, expressed as a percentage of total approved positions</p> <p>Where:</p> <p>A = total number of approved positions, minus</p> <p>B = number of filled positions, divide by</p> <p>A = total number of approved positions, multiplied by 100</p>
<b>Means of verification</b>	Payroll report
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Explicit retention strategies, policies and processes</li> <li>• Approved staffing budget</li> </ul>
<b>Disaggregation (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Non-cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	15% or less
<b>Indicator responsibility</b>	Corporate Services Senior Manager



## Technical Indicator Descriptors (TIDS) *(continued)*

Indicator title	Percentage implementation of approved training plan
<b>Definition</b>	This indicator measures the implementation of the training and development plan of the SETA in line with personal development plans and any other training identified as a need by the organisation. Training includes full qualifications, part qualifications, skills programmes, short courses, conferences, seminars/webinars, workshops, coaching and mentoring meant to upskills and reskill staff and all continuous development programmes.
<b>Source of data</b>	WSPs
<b>Method of calculation/assessment</b>	Count the number of training interventions, divided by the total number of training interventions planned, and express as a percentage.  Where: A = total number of training interventions implemented B = total number of planned training interventions on the training plan Multiplied by 100
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Annual training report</li> <li>• Finance training journal</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved budget</li> <li>• Approved training plan</li> <li>• Availability of people to attend training</li> </ul>
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Non-cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	70% implementation of training plan
<b>Indicator responsibility</b>	Corporate Services Senior Manager



### Sub-programme 1.4: Information and communication technology

Indicator title	Number of business processes digitised in line Business Process Automation Plan
<b>Definition</b>	The indicator measures the realisation of the MICT SETA goal of a digitised organisation to redress the legacy manual processes. The business processes are outlined in the Business Automation Plan.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Needs analysis report</li> <li>• Approved Business Automation Plan</li> </ul>
<b>Method of calculation/assessment</b>	Simple count of the number of business processes digitised
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• User Acceptance Testing (UAT) and/or</li> <li>• Closeout Reports</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved Digital Strategy and Digital Strategy Implementation Plan with costing</li> <li>• Allocation of funding</li> </ul>
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	10 business processes digitised
<b>Indicator responsibility</b>	Chief Information Officer

## Technical Indicator Descriptors (TIDS) *(continued)*

### Sub-programme 1.5: Monitoring and evaluation

Indicator title	Number of performance monitoring reports submitted
<b>Definition</b>	The indicator measures the performance against APP targets in any financial year through the Quarterly Performance Report (QPR) submitted to DPME. It also measures the performance against the Service Level Agreement between DHET and MICT SETA through the Quarterly Monitoring Reports/SETMIS Report submitted to DHET.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Quarterly Performance Reports (QPR)</li> <li>• Quarterly Monitoring Report (QMR) or SETMIS Report</li> <li>• M&amp;E performance information files</li> </ul>
<b>Method of calculation/assessment</b>	Simple count; counting the number of quarterly reports submitted
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Proof of submission of QPR</li> <li>• Proof of submission of QMR or SETMIS reports</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• APP in place</li> <li>• Cooperation from other departments</li> <li>• Planned performance is reported timeously</li> </ul>
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Eight performance monitoring reports submitted
<b>Indicator responsibility</b>	Senior Manager: Monitoring and Evaluation



Indicator title	Number of evaluation studies conducted
<b>Definition</b>	Assessment of the relevance and impact of learning programmes funded by the SETA in line with DHET tracer studies and evaluation guidelines.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Survey Reports</li> <li>• QMRs</li> <li>• LPD administration files</li> <li>• ETQA Administration files</li> </ul>
<b>Method of calculation/assessment</b>	Simple count: Each evaluation study is counted separately and once every year.
<b>Means of verification</b>	Evaluation Study Report
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Service Level Agreement with research institution/s</li> <li>• Adequate and proficient Internal research capacity</li> <li>• Updated database of learners that completed learning programmes</li> <li>• Approved budget</li> <li>• Stakeholder cooperation</li> <li>• Learning Programmes Division cooperation</li> <li>• ETQA cooperation</li> </ul>
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	One evaluation study report produced
<b>Indicator responsibility</b>	Senior Manager Monitoring and Evaluation

## Technical Indicator Descriptors (TIDS) *(continued)*

### Sub-programme 1.6: Governance

Indicator title	Number of approved governance charter reports submitted to DHET
<b>Definition</b>	<p>The indicator measures the number of reports submitted in terms of the Governance charter.</p> <p>It measures compliance with the PFMA and National Treasury Regulations.</p>
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Board secretariat administration files</li> <li>• Audit action plan report</li> <li>• Risk management plan</li> </ul>
<b>Method of calculation/assessment</b>	Simple count: count the number of governance charter reports submitted to DHET per annum
<b>Means of verification</b>	Approved governance charter reports submitted to DHET
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved governance charter</li> <li>• Human resources</li> <li>• Approved policies</li> <li>• Annual governance calendar</li> <li>• DHET compliance calendar</li> </ul>
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Non-cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Four approved governance charter reports submitted to DHET
<b>Indicator responsibility</b>	Board secretary



### Sub-programme 1.7: Internal audit

Dimension	Description
<b>Indicator title</b>	<b>Percentage implementation of internal audit plan</b>
<b>Definition</b>	The extent to which the internal audit plan is being implemented.
<b>Source of data</b>	Internal audit plan
<b>Method of calculation/ assessment</b>	Count the number of actual audit interventions implemented during the year, divide by the total number of planned audit interventions, multiplies by 100.  Where: A = number of actual audit interventions implemented, divide by B = total number of planned audit interventions Multiplied by 100
<b>Means of verification</b>	Internal audit reports
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved internal audit plan</li> <li>• Collaboration of MICT SETA managers</li> <li>• HR capacity</li> </ul>
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	100% of audit plan implemented
<b>Indicator responsibility</b>	Chief Executive Officer

## Technical Indicator Descriptors (TIDS) *(continued)*

### Sub-programme 1.8: Risk and compliance

Indicator title	Percentage implementation of the risk management plan
<b>Definition</b>	This indicator measures the implementation of the approved Risk Management plan in any financial year. It assessing the % of risk management activities implemented towards ensuring an improved risk management culture within the organisation.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Progress reports</li> <li>• Approved risk management governance reports</li> <li>• Updated risk registers</li> </ul>
<b>Method of calculation/assessment</b>	A = total number of activities B = completed activities B divide by A multiplied by 100
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Approved risk management plan</li> <li>• Approved risk management governance policies</li> <li>• Approved fraud prevention governance policies</li> <li>• Approved whistle blowing policy</li> <li>• Attendance registers for risk management training interventions</li> <li>• Updated risk registers</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved risk management plan</li> <li>• Co-operation from management</li> </ul>
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Non-cumulative
<b>Reporting cycle</b>	Annual
<b>Desired performance</b>	100% implementation of the risk management plan
<b>Indicator responsibility</b>	Chief Executive Officer



## PROGRAMME 2: SECTOR SKILLS PLANNING

Indicator title	Percentage of WSP and ATR applications evaluated
<b>Definition</b>	This indicator measures the evaluation of all WSPs and ATRs submissions received, to inform the Sector Skills Plan development on an annual basis.
<b>Source of data</b>	Management Information System reflecting the number of WSPs and ATR received
<b>Method of calculation/assessment</b>	Simple count: Each firm that have submitted a WSP and an ATR is counted separately and once every year.
<b>Means of verification</b>	WSPs and ATRs submission report, which reflects the number of WSPs and ATRs that have been received by MICT SETA
<b>Assumptions</b>	Functional and efficient Management Information System for submission purposes
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	100% evaluation of WSP/ATRs
<b>Indicator responsibility</b>	Senior Manager: Sector Skills Planning



## Technical Indicator Descriptors (TIDS) *(continued)*

Indicator title	Approved Sector Skills Plan submitted to DHET
<b>Definition</b>	Labour market analyses conducted to identify key drivers of change in the MICT sector, identify skills priorities and develop a Sector Skills Plan that contain lists of occupational shortages (scarce skills) and skills gaps (critical/top-up skills) on an annual basis. SSP approved by Accounting Authority for submission to DHET.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• WSPS and ATRs</li> <li>• Survey Reports</li> <li>• Stakeholder Engagement Reports</li> <li>• Research Reports</li> </ul>
<b>Method of calculation/assessment</b>	Simple count: Each approved SSP is counted separately and once every year.
<b>Means of verification</b>	Approved Sector Skills Plan – notification of approval by DHET List of occupational shortages and skills gaps
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Adequate and proficient Internal research capacity</li> <li>• Functional Management Information Systems</li> <li>• Approved Research Budget</li> <li>• Stakeholder Cooperation</li> </ul>
<b>Calculation type</b>	Non-cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	One SSP Approved
<b>Indicator responsibility</b>	Senior Manager: Sector Skills Planning



### PROGRAMME 3: LEARNING PROGRAMMES

Indicator title	Percentage of discretionary grant budget allocated at developing high skills on an annual basis
<b>Definition</b>	Budget that is allocated to support eligible individuals to access subsidised training in selected certificate qualifications, and priority skill sets. These are classified as pivotal programmes at NQF level 6 and above referred to as high level skills.
<b>Source of data</b>	Service level agreements and learning programmes administration files.
<b>Method of calculation/assessment</b>	Formula for % of discretionary grant budget allocated = numerator is budget for pivotal programmes (NQF level 6 and above) divided by denominator is overall discretionary grant budget X 100.
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Commitment Register</li> <li>• Management Accounts</li> </ul>
<b>Assumptions</b>	Approved SSP and approved budget
<b>Calculation type</b>	Cumulative (year-end)
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	When at least 6.4% of discretionary grant budget allocated at developing high skills (NQF level 6 and above) is committed.
<b>Indicator responsibility</b>	Senior Manager: Learning Programmes

Indicator title	Percentage of discretionary grant budget allocated at developing intermediate level skills on an annual basis
<b>Definition</b>	Budget that is allocated to support eligible individuals to access subsidised training in selected certificate qualifications, and priority skill sets. These are classified as pivotal programmes at NQF level 4 – 5 referred to as intermediate level skills.
<b>Source of data</b>	Service level agreements and learning programmes administration files.
<b>Method of calculation/assessment</b>	Formula for % of discretionary grant budget allocated = numerator is budget for pivotal programmes (NQF level 4 and 5) divided by denominator is overall discretionary grant budget X 100.
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Commitment Register</li> <li>• Management Accounts</li> </ul>
<b>Assumptions</b>	Approved SSP and approved budget
<b>Calculation type</b>	Cumulative (year-end)
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	When at least 92.4% of discretionary grant budget allocated at developing intermediate skills (NQF level 4 and 5 is committed).
<b>Indicator responsibility</b>	Senior Manager: Learning Programmes

## Technical Indicator Descriptors (TIDS) *(continued)*

Indicator title	Percentage of discretionary grant budget allocated at developing elementary skills on an annual basis
<b>Definition</b>	Budget that is allocated to support eligible individuals to access subsidised training in selected certificate qualifications, and priority skills sets. These are classified as pivotal programmes at NQF level 3 and below referred to as elementary skills.
<b>Source of data</b>	Service level agreements and learning programmes administration files.
<b>Method of calculation/assessment</b>	Formula for % of discretionary grant budget allocated = numerator is budget for pivotal programmes (NQF level 3 and below) divided by denominator is overall discretionary grant budget X 100.
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Commitment Register</li> <li>• Management Accounts</li> </ul>
<b>Assumptions</b>	Approved SSP and approved budget
<b>Calculation type</b>	Cumulative (year-end)
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	When at least 1% of discretionary grant budget allocated at developing elementary skills (NQF level 3 and below) is committed.
<b>Indicator responsibility</b>	Senior Manager: Learning Programmes

Indicator title	Number of MICT SETA offices established and maintained in TVET colleges on an annual basis
<b>Definition</b>	Establish and maintain MICT SETA offices in TVET colleges to support the growth of the public college system by promoting TVET programmes that are aligned to industry skills needs on an annual basis.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• MICT SETA and TVETs SLAs</li> <li>• MICT SETA and TVETs MOUs</li> </ul>
<b>Method of calculation/assessment</b>	Simple Count
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Monthly reports</li> <li>• Quarterly Management Reports</li> <li>• Annual Reports</li> <li>• MICT SETA and TVETs MOUs</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved Discretionary Grants Budget</li> <li>• Explicit Policies, processes, and procedures</li> <li>• Approved SLAs</li> <li>• Adequate and proficient Human Capital to ensure project management and monitoring and evaluation.</li> <li>• Functional Management Information Systems</li> </ul>
<b>Calculation type</b>	Non-cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	14 MICT SETA offices established and maintained in TVET colleges on an annual basis.
<b>Indicator responsibility</b>	Senior Manager: Learning Programmes



Dimension	Description
<b>Indicator title</b>	<b>Number of unemployed learners entering learning programmes</b>
<b>Definition</b>	Number of unemployed learners successfully registered to enter workplace-based learning programmes (learnerships, internships, skills programmes, short programmes, candidacy, AET and WIL) including bursary programmes as per MICTSETA discretionary grant policy.
<b>Source of data</b>	MICT SETA online MIS/Learning Programmes administration files.
<b>Method of calculation/assessment</b>	Count the number of unemployed learners entering learning programmes captured on the MICT SETA online system or reflected in learner agreements, where there is verifiable evidence as listed in source/collection of data above.
<b>Means of verification</b>	<p><b>Learnerships:</b> Learnership List; duly signed workplace-based learning (WBL) programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; certified copy of learner's highest qualifications.</p> <p><b>Internships:</b> Duly signed WBL (Intern) programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; certified copy of learner's highest qualifications.</p> <p><b>WIL (TVET placement):</b> Duly signed (TVET Placement agreement) WBL programme agreement, certified ID copy of learner; certified copy of learner's highest qualifications. Confirmation letter from the institution.</p> <p><b>WIL (University placement):</b> Duly signed (University placement agreement) WBL programme agreement, certified ID copy of learner; certified copy of learner's highest qualifications. Confirmation letter from the institution.</p> <p><b>Skills programmes:</b> Skills programme agreement; duly signed fixed term contract of employment for 18.2 Learners, certified ID copy of learner; and copy of certified highest qualification.</p> <p><b>Short programmes:</b> Short Programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; and copy of certified highest qualification.</p> <p><b>Adult Education and Training (AET):</b> AET Programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; and copy of certified highest qualification. Training provider accreditation letter applicable to the training programme.</p> <p><b>Candidacy:</b> Candidacy programme agreement; certified ID copy of learner; and copy of certified highest qualification, letter confirming that learner is registered for a candidacy programme; and duly signed fixed term contract of employment.</p> <p><b>Bursary programmes:</b> Duly signed bursary agreement entered into between the learner and the SETA or its contracted agent; certified copy of Bursar's ID; continuation letter from the education institution or proof of payment or learner registration form with the education institution or confirmation of registration from the education institution.</p>
<b>Assumptions</b>	Approved Discretionary Grant policy is in place

## Technical Indicator Descriptors (TIDS) *(continued)*

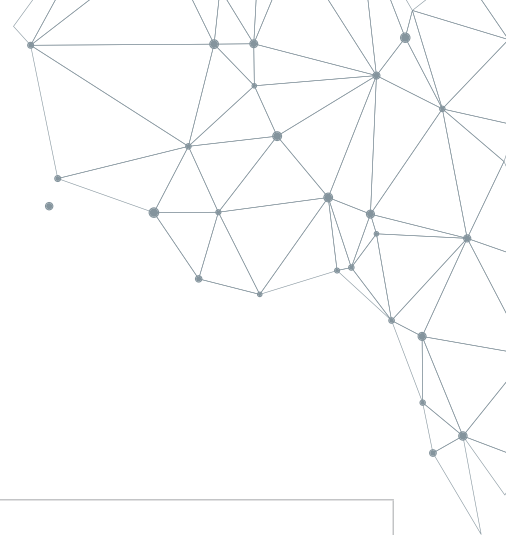
Dimension	Description
<b>Indicator title</b>	<b>Number of unemployed learners entering learning programmes</b>
<b>Disaggregation of beneficiaries (Where applicable)</b>	<ul style="list-style-type: none"> <li>• Target for Women: 54%</li> <li>• Target for Youth: 80%</li> <li>• Target for People with Disabilities: 4%</li> </ul>
<b>Spatial transformation (where applicable)</b>	Recruitment of learners will be done in any of the nine provinces
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	<p>Entered:</p> <ul style="list-style-type: none"> <li>• TVET WIL 1600</li> <li>• HE WIL 685</li> <li>• Internships 1200</li> <li>• Skills programmes 950</li> <li>• Learnerships 3 250</li> <li>• Candidacy 85</li> <li>• Short programmes 950</li> <li>• New bursaries 300</li> <li>• Continuing bursaries 200</li> <li>• AET 65</li> </ul> <p>9 285 unemployed people entering learning programmes.</p>
<b>Indicator responsibility</b>	Senior Manager: Learning Programmes



Dimension	Description
<b>Indicator title</b>	<b>Number of unemployed learners completing learning programmes</b>
<b>Definition</b>	Number of unemployed learners completing workplace-based learning programmes (learnerships, internships, skills programmes, short programmes, candidacy, AET and WIL) including bursary programmes as per MICTSETA discretionary grant policy.
<b>Source of data</b>	MICT SETA online MIS/Learning Programmes administration files.
<b>Method of calculation/assessment</b>	Count the number of unemployed learners completing learning programmes captured on the MICT SETA online system or reflected in learner agreements and statements of results, where there is verifiable evidence as listed in source/collection of data above.
<b>Means of verification</b>	<p><b>Learnerships:</b> Duly signed workplace-based learning (WBL) programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; certified copy of learner's highest qualifications; statement of results.</p> <p><b>Internships:</b> Duly signed WBL (Intern) programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; certified copy of learner's highest qualifications; letter of completion from employer.</p> <p><b>WIL (TVET placement):</b> duly signed (TVET Placement agreement) WBL programme agreement, certified ID copy of learner; certified copy of learner's highest qualifications. Letter of completion from.</p> <p><b>WIL (University placement):</b> Duly signed (University placement agreement) WBL programme agreement, certified ID copy of learner; certified copy of learner's highest qualifications. Letter of completion from employer.</p> <p><b>Skills programmes:</b> skills programme agreement; duly signed fixed term contract of employment for 18.2 Learners, certified ID copy of learner; and copy of certified highest qualification, statement of results.</p> <p><b>Short Programmes:</b> Short Programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; and copy of certified highest qualification, statement of results.</p> <p><b>Adult Education and Training (AET):</b> AET Programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; and copy of certified highest qualification. Training provider accreditation letter applicable to the training programme, statement of results.</p> <p><b>Candidacy:</b> Candidacy programme agreement; certified ID copy of learner; and copy of certified highest qualification, letter confirming that learner is registered for a candidacy programme; and duly signed fixed term contract of employment.</p> <p><b>Bursary programmes:</b> Duly signed bursary agreement entered into between the learner and the SETA or its contracted agent; certified copy of Bursar's ID; continuation letter from the education institution or proof of payment or learner registration form with the education institution or confirmation of registration from the education institution, statement of results.</p>
<b>Assumptions</b>	Approved Discretionary Grant policy is in place.

## Technical Indicator Descriptors (TIDS) *(continued)*

Dimension	Description
<b>Indicator title</b>	<b>Number of unemployed learners completing learning programmes</b>
<b>Disaggregation of beneficiaries (Where applicable)</b>	<ul style="list-style-type: none"> <li>• Target for Women: 54%</li> <li>• Target for Youth: 80%</li> <li>• Target for People with Disabilities: 4%</li> </ul>
<b>Spatial transformation (where applicable)</b>	Recruitment of learners will be done in any of the nine provinces
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Completing: <ul style="list-style-type: none"> <li>• TVET WIL 560</li> <li>• HE WIL 230</li> <li>• Internships 600</li> <li>• Skills programmes 470</li> <li>• Learnerships 1 600</li> <li>• Candidacy 50</li> <li>• Short programmes 475</li> <li>• Bursary completions 135</li> </ul> 4 120 unemployed learners completing learning programmes
<b>Indicator responsibility</b>	Senior manager: Learning programmes



Dimension	Description
<b>Indicator title</b>	<b>Number employed learners entering learning programmes</b>
<b>Definition</b>	Number of employed learners successfully registered to enter workplace based Learning programmes (Skills programmes, AET and Bursary), as per MICT SETA grants policy
<b>Source of data</b>	MICT SETA online MIS/Learning Programmes administration files
<b>Method of calculation/assessment</b>	Count the number of employed learners entering learning programmes captured on the MICT SETA online system or reflected in learner agreements, as listed in source/collection of data above.
<b>Means of verification</b>	<p>Skills programmes- registered skills programme agreement; certified ID copy of learner; and copy of certified highest qualification, letter confirming employment status.</p> <p>Adult Education and Training (AET): AET Programme agreement; contract of employment or letter of confirmation of employment status for the duration of the learning programme; certified ID copy of learner and copy of certified highest qualification.</p> <p>Bursary programmes – duly signed bursary agreement entered into between the learner and the SETA or its contracted agent; certified copy of Bursar's ID, copy of certified highest qualification; Proof of registration or continuation letter from education institution or proof of payment or learner registration form with the institution or confirmation of registration from the education institution; student financial statement and proof of employment.</p>
<b>Assumptions</b>	Approved Discretionary Grant policy is in place
<b>Disaggregation of beneficiaries (Where applicable)</b>	<ul style="list-style-type: none"> <li>• Target for Women: 54%</li> <li>• Target for Youth: 80%</li> <li>• Target for People with Disabilities: 4%</li> </ul>
<b>Spatial transformation (where applicable)</b>	Recruitment of learners will be done in any of the nine provinces
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	<p>Entered:</p> <ul style="list-style-type: none"> <li>• New bursaries 70</li> <li>• Continuing bursaries 30</li> <li>• Skills programmes 180</li> <li>• AET/CET 65</li> </ul> <p>345 employed Learners entered into learning programmes</p>
<b>Indicator responsibility</b>	Senior manager: Learning programmes



## Technical Indicator Descriptors (TIDS) *(continued)*

Dimension	Description
<b>Indicator title</b>	<b>Number employed learners completing learning programmes</b>
<b>Definition</b>	Number of employed learners completing workplace based learning programmes (skills programmes, AET and bursaries), as per MICT SETA grants policy
<b>Source of data</b>	MICT SETA online MIS/Learning Programmes administration files
<b>Method of calculation/assessment</b>	Count the number of employed learners completing learning programmes, as captured on the MICT SETA online system or reflected in learner agreements, as listed in source/collection of data above.
<b>Means of verification</b>	<p><b>Skills programmes:</b> Registered skills programme agreement; certified ID copy of learner; and copy of certified highest qualification, letter confirming employment status, statement of results.</p> <p><b>Adult Education and Training (AET):</b> AET Programme agreement; contract of employment or letter of confirmation of employment status for the duration of the learning programme; certified ID copy of learner and copy of certified highest qualification, statement of results.</p> <p><b>Bursary programmes:</b> Duly signed bursary agreement entered into between the learner and the SETA or its contracted agent; certified copy of Bursar's ID, copy of certified highest qualification; Proof of registration or continuation letter from education institution or proof of payment or learner registration form with the institution or confirmation of registration from the education institution; student financial statement and proof of employment, statement of results.</p>
<b>Assumptions</b>	Approved Discretionary Grant policy is in place
<b>Disaggregation of beneficiaries (Where applicable)</b>	<ul style="list-style-type: none"> <li>• Target for Women: 54%</li> <li>• Target for Youth: 80%</li> <li>• Target for People with Disabilities: 4%</li> </ul>
<b>Spatial transformation (where applicable)</b>	Recruitment of learners will be done in any of the nine provinces
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	<p>Completed:</p> <ul style="list-style-type: none"> <li>• Skills programmes 140</li> <li>• AET/CET 25</li> <li>• Bursary completions 20</li> </ul> <p>185 employed learners completed learning programmes</p>
<b>Indicator responsibility</b>	Senior manager: Learning programmes



Dimension	Description
<b>Indicator title</b>	<b>Number of employed learners entering Recognition of Prior Learning (RPL) programmes</b>
<b>Definition</b>	Number of employed learners entering and completing RPL programme assessment as per ETQA approved assessment report and the MICSETA grant policy
<b>Source of data</b>	MICT SETA online MIS/Learning Programmes administration files MICSETA grant policy ETQA approved assessment report
<b>Method of calculation/assessment</b>	Count the number of employed learners entering RPL assessment, recorded manually or captured on the MICT SETA online system where there is verifiable evidence as listed in source/collection of data above
<b>Means of verification</b>	Duly signed partnership agreements or registered RPL agreement; certified ID copy of learner; certified copy of highest qualification; employment confirmation.
<b>Assumptions</b>	Approved Discretionary Grant policy is in place
<b>Disaggregation of beneficiaries (Where applicable)</b>	<ul style="list-style-type: none"> <li>• Target for Women: 54%</li> <li>• Target for Youth: 80%</li> <li>• Target for People with Disabilities: 4%</li> </ul>
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	100 learners are doing RPL programmes
<b>Indicator responsibility</b>	Senior Manager: Learning programmes

## Technical Indicator Descriptors (TIDS) *(continued)*

Dimension	Description
<b>Indicator Title</b>	<b>Number of employed learners completing Recognition of Prior Learning (RPL) programmes</b>
<b>Definition</b>	Number of employed learners completing RPL programme assessment as per ETQA approved assessment report and the MICSETA grant policy
<b>Source of data</b>	MICT SETA online MIS/Learning Programmes administration files MICSETA grant policy ETQA approved assessment report
<b>Method of Calculation/Assessment</b>	Count the number of employed learners completing RPL assessment, recorded manually or captured on the MICT SETA online system where there is verifiable evidence as listed in source/collection of data above
<b>Means of verification</b>	Duly signed partnership agreements or registered RPL agreement; certified ID copy of learner; certified copy of highest qualification; employment confirmation and statement of results.
<b>Assumptions</b>	Approved Discretionary Grant policy is in place
<b>Disaggregation of beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>• Target for Women: 54%</li> <li>• Target for Youth: 80%</li> <li>• Target for People with Disabilities: 4%</li> </ul>
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	42 employed learners completed RPL programmes
<b>Indicator Responsibility</b>	Senior Manager: Learning programmes



Dimension	Description
<b>Indicator title</b>	<b>Number of rural skills development projects implemented.</b>
<b>Definition</b>	Number rural skills development projects approved and implemented in rural areas as per SETA grant policy
<b>Source of data</b>	MICT SETA online MIS/Learning Programmes administration files Project implementation reports and data
<b>Method of calculation/assessment</b>	Simple count of the number of approved projects implemented in Rural areas
<b>Means of verification</b>	Service Level Agreements or MOUs;
<b>Assumptions</b>	SETA Rural strategy is in place
<b>Disaggregation of beneficiaries (Where applicable)</b>	Not applicable
<b>Spatial transformation (where applicable)</b>	Rural areas across the nine provinces
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	50 rural projects are implemented
<b>Indicator responsibility</b>	Senior Manager: Learning programmes

## Technical Indicator Descriptors (TIDS) *(continued)*

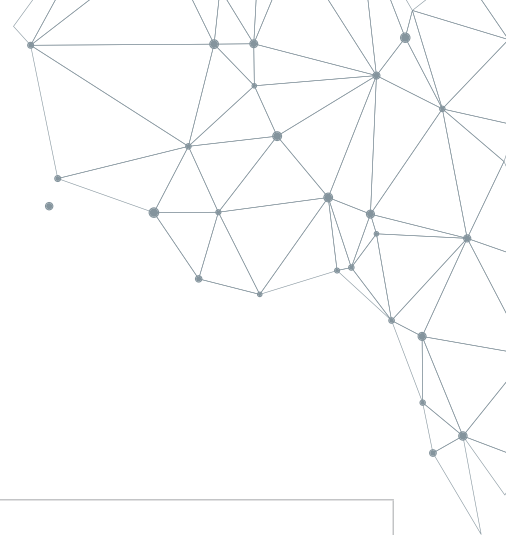
Dimension	Description
<b>Indicator title</b>	<b>Number of Small Enterprises (SEs) supported through skills development interventions</b>
<b>Definition</b>	Number of Small Enterprises (SEs) supported through skills development interventions on an annual basis
<b>Source of data</b>	Learning Programmes administration files
<b>Method of calculation/assessment</b>	Count the number of SEs supported financially in implementing pivotal and non-pivotal learning programmes
<b>Means of verification</b>	A duly signed Service Level Agreement (SLA) entered into between the SE and MICT SETA; Program rollout plan, Learner agreements, certified ID, certified highest qualification; learner list
<b>Assumptions</b>	SEs are operating within the MICT sector and there are guiding principles as per strategic projects and partnerships policy in place
<b>Disaggregation of beneficiaries (Where applicable)</b>	Not applicable
<b>Spatial transformation (where applicable)</b>	Recruitment of SEs will be done in all MICTSETA regions
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	200 SEs are supported
<b>Indicator responsibility</b>	Senior Manager: Learning programmes



Dimension	Description
<b>Indicator title</b>	<b>Number of Co-operatives supported through the subsidising of skills development interventions for their members</b>
<b>Definition</b>	Number of Co-ops within MICT SETA sub-sectors that are assisted through the roll-out of PIVOTAL and/or Non-PIVOTAL training interventions for their members.
<b>Source of data</b>	Learning Programmes administration files, learner IDs and learner induction attendance registers; learner IDs; highest qualification; MICT agreement; fixed term contract; learner lists
<b>Method of calculation/assessment</b>	Count the number of Co-operatives supported with verifiable evidence as listed in source/collection of data above
<b>Means of verification</b>	A duly signed SLA entered into between the Co-op and MICT SETA; Program rollout plan; learner IDs and learner induction attendance registers
<b>Assumptions</b>	Guiding principles as per DG Policy in place; Co-operatives are operating within MICT SETA sub-sectors.
<b>Disaggregation of beneficiaries (Where applicable)</b>	Not applicable
<b>Spatial transformation (where applicable)</b>	Recruitment of Co-operatives' learners will be done in all provinces
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	150 Co-operatives' learners are supported
<b>Indicator responsibility</b>	Senior Manager: Learning programmes

## Technical Indicator Descriptors (TIDS) *(continued)*

Dimension	Description
<b>Indicator title</b>	<b>Number of people trained on entrepreneurship programmes</b>
<b>Definition</b>	Measures the number of people trained on entrepreneurship programmes
<b>Source of data</b>	Learning Programmes administration files; Learner ID numbers
<b>Method of calculation/ assessment</b>	Count the number of people trained on entrepreneurship programmes where there is verifiable evidence as listed in source/collection of data above
<b>Means of verification</b>	Strategic projects policy guidelines are in place Discretionary grant policy in place
<b>Assumptions</b>	People to be trained on entrepreneurship and supported to start their businesses will enter and complete the programme within the set time frames
<b>Disaggregation of beneficiaries (Where applicable)</b>	<ul style="list-style-type: none"> <li>• Target for Women: 54%</li> <li>• Target for Youth: 80%</li> <li>• Target for People with Disabilities: 4%</li> </ul>
<b>Spatial transformation (where applicable)</b>	Recruitment of people to be trained on entrepreneurship programmes will be done in any of the nine provinces
<b>Calculation type</b>	Non-cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	150 people trained on entrepreneurship
<b>Indicator responsibility</b>	Senior Manager: Learning programmes



Dimension	Description
<b>Indicator title</b>	<b>Number of skills development intervention support for members/employees of NGOs/NPOs/CBO</b>
<b>Definition</b>	Number of NGOs/NPOs/CBOs assisted through skills development interventions (short courses, skills programmes, PIVOTAL programmes, bursaries).
<b>Source of data</b>	Learning Programme administration files Signed MoUs with NGOs/NPOs/CPOs Signed SLAs/MOUs
<b>Method of calculation/assessment</b>	Count the number of NGOs/NPOs/CBOs supported through skills development interventions as reported, where there is verifiable evidence as listed in source/ collection of data above
<b>Means of verification</b>	A duly signed SLA/contract entered into between the NGO/NPO/CBO and MICT SETA; Certified ID, Program rollout plan and learner list; learner agreements, fixed term contracts
<b>Assumptions</b>	Guiding principles as per the Discretionary Grant Policy in place; NGOs/NPOs/CBOs are operating within MICT SETA sub-sectors.
<b>Disaggregation of beneficiaries (Where applicable)</b>	<ul style="list-style-type: none"> <li>• Target for Women: 54%</li> <li>• Target for Youth: 80%</li> <li>• Target for People with Disabilities: 4%</li> </ul>
<b>Spatial transformation (where applicable)</b>	Recruitment of entities will be done in all MICT SETA Regions
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	150 NGOs/NPOs/CBOs are supported
<b>Indicator responsibility</b>	Senior Manager: Learning programmes



## Technical Indicator Descriptors (TIDS) *(continued)*

Dimension	Description
<b>Indicator title</b>	<b>Number of worker-initiated skills development (federations/trade unions) interventions supported</b>
<b>Definition</b>	Number of federations/trade members (of unions operating within MICT SETA sub-sectors) that complete skills development interventions
<b>Source of data</b>	Learning Programmes administration files Learner ID numbers Learner induction attendance registers
<b>Method of calculation/assessment</b>	Count the number of Federations/Trade Union members that attended skills development interventions, with verifiable evidence as listed in source/collection of data above
<b>Means of verification</b>	A duly signed agreement/SLA entered into between the federations/trade unions and MICT SETA; confirmation of employment letter, duly signed MICT agreement; Certificate of completion of programme by union members; Programme rollout plan and learner list.
<b>Assumptions</b>	Guiding principles as per the Discretionary Grants in place; Federations/Trade Unions are operating within MICT SETA sub-sectors.
<b>Disaggregation of beneficiaries (Where applicable)</b>	Not applicable
<b>Spatial transformation (where applicable)</b>	Recruitment of Federations/Trade Unions will be done across all nine provinces
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	200 worker-initiated skills development interventions supported
<b>Indicator responsibility</b>	Senior Manager: Learning programmes



Indicator title	Number of Centres of Specialisation supported on an annual basis
<b>Definition</b>	Recognise existing and establish centres of specialisation in partnership with industry to afford learners from these recognised centres the appropriate workplace experience in innovation and enterprise development, thereby increasing their prospects of employment on an annual basis.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• MICT SETA and Centres of Specialisation SLAs</li> <li>• MICT SETA and employers MOUs</li> </ul>
<b>Method of calculation/assessment</b>	Simple count, each Centre of Specialisation counted once for every year.
<b>Means of verification</b>	Signed MOU between MICT SETA and Centre of Specialisation
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved Discretionary Grants Budget</li> <li>• Explicit Policies, processes and procedures</li> <li>• Approved SLAs</li> <li>• Adequate and proficient Human Capital to ensure project management and monitoring and evaluation</li> </ul>
<b>Disaggregation of beneficiaries (Where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	12 Centres of Specialisation are supported
<b>Indicator responsibility</b>	Senior Manager: Learning programmes

## Technical Indicator Descriptors (TIDS) *(continued)*

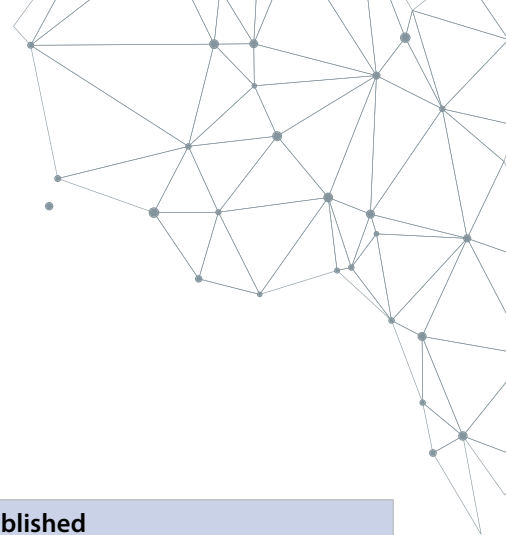
Indicator title	Number of TVET Lecturers exposed to the industry through skills development programmes
<b>Definition</b>	Establish partnerships with TVETs and employers to expose TVET lecturers to requisite workplace experience, thereby increasing their appreciation of demand for skills by employers and ensuring TVET programmes that are aligned to industry skills needs
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• MICT SETA, TVETs and employers SLAs</li> <li>• MICT SETA, TVETs and employers MOUs</li> </ul>
<b>Method of calculation/assessment</b>	Simple count: Each lecturer is counted separately and once every year.
<b>Means of verification</b>	Duly signed TVET Lecturer Agreement, certified ID copies, certified highest qualification, learner list, program rollout plan and confirmation of employment letter Monthly reports and closeout report; statements of results or certificate of completion
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved Discretionary Grants Budget</li> <li>• Explicit Policies, processes and procedures</li> <li>• Approved SLAs</li> <li>• Adequate and proficient Human Capital to ensure project management and monitoring and evaluation</li> </ul>
<b>Disaggregation of beneficiaries (Where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	75 TVET Lecturers exposed to the industry through skills development programmes
<b>Indicator responsibility</b>	Senior Manager: Learning programmes



Indicator title	Number of TVET Lecturers awarded bursaries on an annual basis.
<b>Definition</b>	Provide Bursaries to TVET Lecturers studying in HET institutions to assist them to acquire academic qualifications.
<b>Source of data</b>	MICT SETA, TVETs and HET Institutions SLAs
<b>Method of calculation/assessment</b>	Simple count: Each lecturer/learner is counted separately and once every year.
<b>Means of verification</b>	Duly signed TVET Lecturer bursary agreement, certified ID Copies, certified highest qualification, learner list, fee statement and proof of registration/acceptance letter. Learner year end results
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved Discretionary Grants Budget</li> <li>• Explicit Policies, processes and procedures</li> <li>• Approved SLAs</li> <li>• HET Institution-TVETs Lecturer Agreements</li> <li>• Adequate and proficient Human Capital to ensure project management and monitoring and evaluation</li> </ul>
<b>Calculation type</b>	Cumulative
<b>Disaggregation of beneficiaries (Where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	65 TVET lecturers are awarded bursaries
<b>Indicator responsibility</b>	Senior Manager: Learning programmes

## Technical Indicator Descriptors (TIDS) *(continued)*

Indicator title	Number of CET colleges lecturers exposed to skills development programmes
<b>Definition</b>	Expose CET colleges lecturers to skills development programmes
<b>Source of data</b>	MICT SETA, CETs and HET Institutions SLAs
<b>Method of calculation/assessment</b>	Simple count: Each lecturer/learner is counted separately and once every year.
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Duly signed MICT SETA CET agreement, certified ID copies, certified highest qualification, Learner list, confirmation of employment letter, proof of registration/acceptance letter</li> <li>• Learner year end results</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved Discretionary Grants Budget</li> <li>• Explicit Policies, processes and procedures</li> <li>• Approved SLAs</li> <li>• HET Institution-CETs Lecturer Agreements</li> <li>• Adequate and proficient Human Capital to ensure project management and monitoring and evaluation</li> </ul>
<b>Disaggregation of beneficiaries (Where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	75 CET colleges lecturers
<b>Indicator responsibility</b>	Senior Manager: Learning programmes



Indicator title	Number of partnerships with TVET colleges established
<b>Definition</b>	This is the number of partnership projects established with TVET colleges, as per the SETA grant policy
<b>Source of data</b>	MICT SETA online MIS/Learner programmes administration files
<b>Method of calculation/assessment</b>	Count the number of approved partnership projects with TVET colleges
<b>Means of verification</b>	Signed partnership agreements or MOUs with clearly defined deliverables and timelines, entered into between MICT SETA and TVET colleges
<b>Assumptions</b>	SETA partnership strategy in place
<b>Disaggregation of beneficiaries</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	80 partnership projects established
<b>Indicator responsibility</b>	Senior Manager Learning Programmes
<b>Indicator title</b>	Number of CET partnerships established
<b>Definition</b>	Establish partnerships with CETs for the realisation of skilled learners with appropriate workplace experience, on an annual basis.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• MICT SETA and CETs SLAs</li> <li>• MICT SETA and CETs MOUs</li> </ul>
<b>Method of calculation/assessment</b>	Simple count, each partnerships counted once for every year.
<b>Means of verification</b>	Approved MICT SETA and CETS MOUs
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved Discretionary Grants Budget</li> <li>• Explicit Policies, processes and procedures</li> <li>• Approved SLAs</li> <li>• Adequate and proficient Human Capital to ensure project management and monitoring and evaluation</li> </ul>
<b>Disaggregation of beneficiaries (Where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	12 CET partnerships are established
<b>Indicator responsibility</b>	Senior Manager: Learning Programmes

## Technical Indicator Descriptors (TIDS) *(continued)*

Indicator title	Number of partnerships established with Universities
<b>Definition</b>	This is the number of partnership projects established with universities, as per the SETA grant policy
<b>Source of data</b>	MICT SETA online MIS/Learner programmes administration files
<b>Method of calculation/assessment</b>	Count the number of approved partnership projects with universities
<b>Means of verification</b>	Signed partnership agreements or MOUs with clearly defined deliverables and timelines, entered into between MICT SETA and universities
<b>Assumptions</b>	SETA partnership strategy in place
<b>Disaggregation of beneficiaries (Where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	25 partnership projects with universities are established
<b>Indicator responsibility</b>	Senior Manager Learning Programmes

### Sub-programme 3.2: 4IR

Indicator title	Number of new 4IR partnerships established to implement 4IR initiatives in the MICT sector
<b>Definition</b>	Number of new 4IR partnerships established to implement 4IR initiatives in the MICT sector
<b>Source of data</b>	4IR administration files. Partnerships agreements/MOUs
<b>Method of calculation</b>	Simple count
<b>Means of verification</b>	Signed MOUs with deliverables
<b>Assumptions</b>	SETA partnership guidelines in place
<b>Disaggregation of beneficiaries</b>	Not applicable
<b>Spatial transformation</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	35 4IR partnerships established
<b>Indicator responsibility</b>	Senior Manager: 4IR



Indicator title	Number of students funded under established 4IR Research Chairs
<b>Definition</b>	To form partnerships and research collaborations with Public HET institutions to conduct research on 4IR related themes in relation to the MICT SETA sub-sectors.
<b>Source of data</b>	4IR Administration files SLAs signed with universities Student lists
<b>Method of calculation/assessment</b>	Simple count, each student funded under the Research Chairs is counted once
<b>Means of verification</b>	Signed SLAs with public Universities
<b>Assumptions</b>	Discretionary grant policy in place
<b>Disaggregation of beneficiaries</b>	Not applicable
<b>Spatial transformation</b>	Not applicable
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	90 students funded
<b>Indicator responsibility</b>	Senior Manager: 4IR

Indicator title	Number of 4IR occupational qualifications developed
<b>Definition</b>	Number of 4IR occupational qualifications developed in the current financial year.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Administration files</li> <li>• Proof of submission of qualifications to the QCTO for registration</li> </ul>
<b>Method of calculation/assessment</b>	Count the number of 4IR occupational qualifications that have been submitted to the QCTO
<b>Means of verification</b>	List of submitted qualifications submitted to the QCTO
<b>Assumptions</b>	4IR Integrated Digital Skills Strategy in place
<b>Disaggregation of beneficiaries</b>	Not applicable
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	15 4IR Occupational qualifications developed
<b>Indicator responsibility</b>	Senior Manager: 4IR



## Technical Indicator Descriptors (TIDS) *(continued)*

Dimension	Description
<b>Indicator title</b>	<b>Number of learning laboratories supported in collaboration with industry partners</b>
<b>Definition</b>	The learning laboratories initiated or supported in collaboration with industry partners aligned to emerging technologies
<b>Source of data</b>	Administration files and MoAs
<b>Method of calculation/assessment</b>	Count the number of labs/learning factories established with ICT infrastructure
<b>Means of verification</b>	List of labs/learning factories established and ICT infrastructure supported
<b>Assumptions</b>	4IR Integrated Digital Skills Strategy in place
<b>Disaggregation of beneficiaries</b>	Not applicable
<b>Spatial transformation</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	10 learning laboratories supported
<b>Indicator responsibility</b>	Senior Manager: 4IR



Dimension	Description
<b>Indicator title</b>	<b>Number of skills competitions supported in partnership with stakeholders</b>
<b>Definition</b>	Skills competitions, in partnership with stakeholders, supported financially to create and prepare a pool of learners that can compete in the World Skills competitions
<b>Source of data</b>	Administration files Invitations to skills competitions SLAs/MoUs with stakeholders
<b>Method of calculation/assessment</b>	Simple count: One skills competitions will be counted once.
<b>Means of verification</b>	List of competitions supported financially. Reports of competitions supported.
<b>Assumptions</b>	4IR Integrated Digital Skills Strategy in place Approved budget. Approved DG policy.
<b>Disaggregation of beneficiaries (Where applicable)</b>	Not applicable
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	15 skills competitions
<b>Indicator responsibility</b>	Senior Manager: 4IR

## Technical Indicator Descriptors (TIDS) *(continued)*

### PROGRAMME 4: EDUCATION, TRAINING AND QUALITY ASSURANCE

Dimension	Description
<b>Indicator title</b>	<b>Number of exit verifications conducted</b>
<b>Definition</b>	Ensure that the process of exit verification is conducted for funded and unfunded MICT SETA historical programmes for learner achievement.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Exit verification Plan</li> <li>• ETQA administration files</li> </ul>
<b>Method of calculation/assessment</b>	Simple count of the number of exit verifications conducted
<b>Means of verification</b>	Approved exit verification reports
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• An approved budget</li> <li>• Explicit QCTO policies, processes and procedures</li> <li>• Sufficient capacity to conduct the exit verifications</li> <li>• Commitment schedule</li> </ul>
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Annual
<b>Desired performance</b>	400 exit verifications conducted
<b>Indicator responsibility</b>	Senior Manager: Education, Training and Quality Assurance



Dimension	Description
<b>Indicator title</b>	<b>Number of training providers accredited</b>
<b>Definition</b>	Total number of accredited training providers against historical and occupational qualifications.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Accreditation reports</li> <li>• Monthly EXCO reports</li> <li>• Quarterly Management Reports</li> </ul>
<b>Method of calculation/assessment</b>	Simple count
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• List of recommended providers</li> <li>• Accreditation reports</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved budget</li> <li>• Occupational qualifications are registered to allow for accreditation of providers</li> <li>• There is sufficient interest in obtaining accreditation against occupational qualifications</li> <li>• Explicit QCTO policies, processes and procedures</li> <li>• Sufficient capacity</li> </ul>
<b>Disaggregation of beneficiaries (where applicable)</b>	Not applicable
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	300 providers accredited
<b>Indicator responsibility</b>	Senior Manager: Education, Training and Quality Assurance

## Technical Indicator Descriptors (TIDS) *(continued)*

Dimension	Description
<b>Indicator title</b>	<b>Number of qualified Subject Matter Experts Registered</b>
<b>Definition</b>	Ensure that there are MICT SETA registered Assessors to conduct assessment on historical qualifications and QCTO approved Subject Matter Experts to conduct assessment on occupational programmes.
<b>Source of data</b>	Accreditation reports
<b>Method of calculation/assessment</b>	Each SME is counted separately and according to the programme(s) they are qualified to assess on.
<b>Means of verification</b>	Approved registration letters
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved Budget</li> <li>• Explicit Policies, processes and procedures</li> <li>• Sufficient applications.</li> </ul>
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Disaggregation of beneficiaries (where applicable)</b>	Women: 35% Youth: 25% Disability: 4%
<b>Spatial transformation (where applicable)</b>	N/A
<b>Desired performance</b>	150 qualified registered subject matter experts
<b>Indicator responsibility</b>	Senior Manager: Education and Training Quality Assurance



Dimension	Description
<b>Indicator title</b>	<b>Number of qualified constituent registered moderators, moderating quality of programmes</b>
<b>Definition</b>	Ensure that there are qualified registered moderators (including in TVETs and CETs) moderating on MICT SETA historical qualifications
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Monthly Reports</li> <li>• QMRs</li> </ul>
<b>Method of calculation/assessment</b>	Each moderator is counted separately and according to the programme(s) they are registered to moderate.
<b>Means of verification</b>	Database of registered moderators
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved Budget</li> <li>• Explicit Policies, processes and procedures</li> <li>• Adequate and proficient Human Capital to carry-out moderator registration and practices activities</li> <li>• Functional Management Information Systems</li> </ul>
<b>Disaggregation</b>	Women: 35% Youth: 25% Disability: 7%
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	150 Registered Moderators
<b>Indicator responsibility</b>	Senior Manager: Education and Training Quality Assurance

## Technical Indicator Descriptors (TIDS) *(continued)*

Dimension	Description
<b>Indicator title</b>	<b>Number of realigned MICT SETA qualifications</b>
<b>Definition</b>	Realignment of MICT SETA historical qualifications into occupational qualifications and development of new occupational qualifications in high demand.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Process reports per realignment phase</li> <li>• Monthly Reports</li> </ul>
<b>Method of calculation/assessment</b>	Each qualification is recorded separately and counted once.
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Proof of submissions of qualifications to the QCTO prior to verification</li> <li>• Acknowledgement letter from QCTO</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved Budget</li> <li>• Explicit Policies, processes and procedures</li> <li>• Adequate and proficient Human Capital to qualifications development activities</li> <li>• Relevant stakeholders cooperation</li> </ul>
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	12 Qualifications Developed
<b>Indicator responsibility</b>	Senior Manager: Education and Training Quality Assurance



Dimension	Description
<b>Indicator title</b>	<b>Number of registered assessment Centres for External Integrated Summative Assessment (EISA)</b>
<b>Definition</b>	Ensure that there are registered EISA Centres to conduct the External Integrated Summative Assessment for learner achievement on Occupational Programmes.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Recommendation reports</li> <li>• ETQA Administration file</li> </ul>
<b>Method of calculation/ assessment</b>	Simple count of the number of assessment centres recommended for registration
<b>Means of verification</b>	MICT SETA list of recommended assessment centres QCTO list of approved assessment centres.
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved Budget</li> <li>• Explicit Policies, processes and procedures</li> <li>• Adequate and proficient Human Capital to qualifications development activities</li> <li>• Sufficient applications</li> </ul>
<b>Calculation type</b>	Cumulative
<b>Disaggregation</b>	N/A
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	13 registered EISAs
<b>Indicator responsibility</b>	Senior Manager: Education, Training and Quality Assurance







**PART 3:  
ANNUAL  
PERFORMANCE  
PLAN 2023-2024**

## Foreword by The Minister



**Dr BE Nzimande, MP**

Executive Authority of Higher Education, Science and Innovation

The mandate of the Sector Education and Training Authorities is derived, in the main from the Skills Development Act 97 of 1998 as amended, which amongst others, directs SETAs to develop Sector Skills Plan (SSPs). In the Sector Skills Plans, SETAs must always reflect and incorporate government priorities, especially those that address our priority developmental goals, tackling the triple challenges of poverty, unemployment and inequality. The SSPs is intended to ensure that skills are not a constraint to the economic development of our country.

The mandate of the SETA must be understood within our vision of the post-school education and training system of having an integrated, coordinated and articulated post school system for improved economic participation and the social development of youth and adults. Critical to this vision is our challenge of addressing the plight of the youth, especially those between the ages of 15 -24 years old, which are Not in Education, Employment or Training (NEET), which comprises over 3.4 million in the fourth quarter of 2022.

The White Paper for Post-School Education and Training (WPPSET) envisages the post-school education and training system as an important institutional mechanism that must be responsive to the needs of society especially of the youth. Critical to this, is our transformational and developmental imperatives which include amongst others: class, gender, race, geography and youth, which must be reflected at all material times in the mission, strategy and

programmes of our SETAs. The State President in his State of the Nation Address (SoNA) in 2019 identified the pattern of operating in silos a challenge. In response, Government adopted the District Development Model which provides a spatial framework within which we have to align SETA skills interventions.

The Ministry of Higher Education, Science and Innovation is among the leading ministries for the 2019–2024 Medium Term Strategic Framework (MTSF) Priority 3: Education, Skills and Health, and the following medium-term outcomes have been identified:

- An integrated and coordinated PSET system.
- Expanded access to PSET opportunities.
- Improved success and efficiency of the PSET system.
- Improved quality of PSET provisioning.
- A responsive PSET system

The President launched the Economic Reconstruction and Recovery Plan (ERRP) in October 2020 which prioritizes skills development, science and innovation as critical enablers in driving South Africa's economic reconstruction and recovery. In support of this initiative, the Department working with social partners at the National Economic Development and Labour Council (NEDLAC) & the National Skills Authority, developed a national Skills Strategy.

The Economic Reconstruction and Recovery Plan Skills Strategy (ERRP SS) aims to support the Economic Reconstruction and Recovery Plan (ERRP), ensuring that it is not compromised by skills shortages. It is born out of the urgency for a well-coordinated strategy of skills development to support both the management of the COVID-19 global health pandemic and economic and social recovery.

President Ramaphosa captured our determination to reset the South African economy when he said: "We are determined not merely to return our economy to where it was before the coronavirus, but to forge a new economy in a new global reality." As stated in the ERRP, South Africa is now on the threshold of an important opportunity to imaginatively, and with a unity of purpose, reshape its economic landscape.



The ERRP SS is located within the broader skills planning arsenal of the Post-School Education and Training (PSET) system, which promotes the use of labour market intelligence (including future work scenarios) to inform PSET provisioning. The Department of Higher Education and Training has identified skills needs in the form of the List of Occupations in High Demand, the Priority Skills List and the Critical Skills List (which it prepared on behalf of the Department of Home Affairs). The SETAs will continue to play a critical role in the implementation of the Skills Strategy to support Economic Reconstruction and Recovery Plan.

The National Skills Development Plan (NSDP) 2030 remains at the centre in directing how the skills development levy will be disbursed up to 31 March 2030. For this reason, the Sector Education and Training Authorities (SETAs) have been re-established until 2030, in alignment with the National Development Plan to ensure that the SETAs focus on skills required for our socio-economic development. For the financial year, we aim at expanding the participation of young people in skills development programs as well as workplace-based learning opportunities. We have surpassed the State of the Nation Address (SoNA) 10 000 Technical and Vocational Education and Training (TVET) target placements in 2022 leading to setting a target for 2023 of 20 000 TVET placements.

For the 2023/24 financial year, the entire SETA system has set itself the following targets, as part of expanding post-school opportunities:

- 110 500 workplace-based learning (WBL) opportunities;
- 149 000 learners registered in skills development programs;
- 23 000 learners entering artisanal programs;
- 21 000 learners passing artisanal trades;
- 32 550 learners completing learnerships; and
- 6 450 learners completing internships.

The SETAs will enter into the Service Level Agreements with the Director-General of the Department and commit that 25% of all targets to be achieved on a quarterly basis, with 100% achievement in the last quarter of the financial year.

The SETA Annual Performance Plan (APP) provides a clear commitment to the delivery of our skills development priorities and targets for implementation during the 2023/24 financial year.

**Dr BE Nzimande, MP**

Executive Authority of Higher Education, Science and Innovation

## Accounting Authority Statement



**Mr Simphiwe Thobela**  
Chairperson: MICT SETA Board

I take great pleasure in presenting the Media, Information and Communication Technologies Sector Education and Training Authority (MICT SETA) Annual Performance Plan for the period 1 April 2023 to 31 March 2024. This Plan is guided by the Revised Framework for Strategic Plans and Annual Performance Plans 2020, the Skills Development Act 97 of 1998 as amended, the National Skills Development Plan (NSDP), the South African Economic Reconstruction and Recovery Plan (ERRP) and its supporting Strategy, the National Development Plan 2030, and the Public Finance Management Act (Act 1 of 1999, as amended).

Information Communication Technology (ICT) has emerged as a crucial component for accelerating industrialisation and socioeconomic development. Technological advancements are transforming the labour market across various industries. In light of this, the MICT SETA seeks to deliver and enable skills development interventions in our sector that are relevant and reflect efficient, accessible, and reliable media and ICT services that leverage the technological advances of the future. The achievement of this is premised on the vision of delivering cutting edge future skills enabled by strategic partnerships with the relevant key role players in industry and the post school education and training (PSET) sector. These partnerships aim to fuel the provision of meaningful employment, entrepreneurship, sustainable Small, Medium, and Micro Enterprises (SMMEs) and development of rural communities for overall sectoral growth.

To keep up with the demands of the industry, our focus has had to be on innovation and curriculum change. Industry has demanded mid to high-level skills in the 4IR realm, necessitating the development of 4IR related qualifications to

meet industry demands. We look forward to implementing programmes that up-skill, re-skill and even multi-skill the current workforce.

This Annual Performance plan therefore underscores the MICT SETA outcomes for the 2023/24 financial year and reflects skills priority actions that align with the trajectory of industry and national priorities. It is a culmination of work that started at the beginning of the strategic planning cycle in April 2020. The SETA has succeeded in linking the outcomes in the strategic plan to outputs in the APP. These have been translated into output indicators in a manner that is specific, measurable, attainable, relevant and time bound.

As we implement this plan, we must be mindful of those learners who seek job opportunities and placements to acquire qualifications. Thus the need to create an efficient ecosystem – with improved turnaround times, stakeholder relations, support for learners in our implementation of learning programmes – is imperative.

We are at the final stages of developing our learner information system that will contribute to reducing turnaround times and allow for efficiency in the system. One of the priority areas we, as the board, have mandated the CEO on, is to automate business processes within the organisation.

We would like to strengthen our relations with the industry to successfully implement our programmes and find areas of meaningful collaboration. We now have a fully functional Monitoring and Evaluation unit which will assist in monitoring programme performance and evaluation of programme outcomes. It is also critical for us to continue conducting evaluations of learning programme implementation through learner tracer studies. This gives us great insights and feedback on improving our programmes and increasing learner completion numbers. The CEO is aware of this great task, and he has my full support in implementing this APP 2023/24.

I would like to thank him and the management team for the work they do to make this organisation better. I extend my gratitude and appreciation to all board members who play their oversight role to improve the organisation.

I, Simphiwe Thobela endorse this Annual Performance Plan and commit to its implementation.

**Simphiwe Thobela**  
MICT SETA Board Chairperson



## Accounting Officer Statement



**Mr Matome Madibana**

Chief Executive Officer (CEO): MICT SETA

I am pleased to present the Media, Information and Communication Technologies Sector Education and Training Authority (MICT SETA) Annual Performance Plan (APP), an iteration of which will serve as the implementation arm of the Strategic Plan (SP) for the 2020-2025 Medium-Term Strategic Framework (MTSF) period.

This Plan is guided by the Revised Framework for Strategic Plans and Annual Performance Plans 2020, the Skills Development Act 97 of 1998 as amended, the National Skills Development Plan, the South African Economic Reconstruction and Recovery Plan (ERRP) and its supporting strategy, the National Development Plan 2030, and the Public Finance Management Act (Act 1 of 1999, as amended).

For an organ of state such as the MICT SETA, adopting a customer-centric and stakeholder focused approach remains a priority. This approach emphasises inclusivity and ensures that the MICT SETA is able to deliver on its mandate derived from the Skills Development Act. The 2021/22 organisational performance is evidence that the SETA is working well with the sector and through close collaboration, the SETA was able to achieve most of its strategic outputs and contributed to outcomes as articulated in the SP and APP.

Despite the rapid changes in our sector as well as disruptions resulting from the COVID-19 pandemic, we have shown resilience in a dynamic environment. To pursue the development of a 21st century skilled workforce within the context of the NSDP and the ERRP, the SETA has identified key strategic priorities for the 2023/24 financial year as follows:

- Support for SMMEs, Entrepreneurship and Community-Based Organisations, particularly in relation to 4IR cross-sectoral partnerships and projects for sustainable growth.
- Improve labour market information that accurately identifies occupations in high demand.
- Skills development for rural and marginalised communities to ensure inclusivity through technology skills development.
- Support initiatives that prioritise the provision of agile, flexible and demand-led skills development programmes, retraining/upskilling being a priority.
- Enablement of the Fourth Industrial Revolution (4IR).
- Support growth of the public college system through sectoral partnerships in the delivery of learning interventions.
- Increase access to and delivery of industry and occupationally directed priority programmes and work placements, and
- Improve the quality of education to address programmes in high demand within the MICT Sector.

As the new Chief Executive Officer (CEO) of the MICT SETA, acknowledging the afore-mentioned priorities, I commit that the SETA will continue to prioritise its role as a strategic skills development partner that enhances the sustainability and growth of small businesses in the sector and promotes an empowering climate of innovation and entrepreneurship amongst Youth. Additionally, the SETA will continue to bolster rural outreach initiatives. Primarily, this will focus on responding to the key NSDP outcomes and ERRP interventions that find expression in the SETA's scope. Embedding skills planning into sectoral processes will remain a priority as will collaborations with public TVET colleges as the primary modes of delivery of e-readiness skills and other skills required in rural areas will be a priority.

In conclusion, I wish to assure the Accounting Authority of my unflinching commitment to ensure that the priorities identified in this APP are fulfilled.

**Matome Madibana**

Chief Executive Officer

## Official Sign-off

It is hereby certified that this Strategic Plan:


- Was developed by the management of the Media Information and Communication Technologies Sector Education and Training Authority (MICT SETA) under the guidance of the MICT Board and the Department of Higher Education and Training;
- Takes into account all the relevant policies, legislation and other mandates for which the MICT SETA is responsible;
- Accurately reflects the impact and outcomes which the MICT SETA will endeavour to achieve over the period 2020-2025.

### Programme 1:

Administration

**Mthenjwa Mseleku**

Acting Chief Financial Officer


Signature: 

### Programme 2:

Sector Skills Planning

**Bontle Mokoena**

Senior Manager: Sector Skills Planning

Signature: 

### Programme 3:

Learning Programmes

**Ernest Nemugavhini**

Senior Manager: Learning Programmes

Signature: 

### Programme 4:

ETQA:


**Natalie Nelson**

Senior Manager: ETQA

Signature: 

**Matome Madibana**

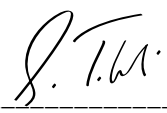
Chief Executive Officer

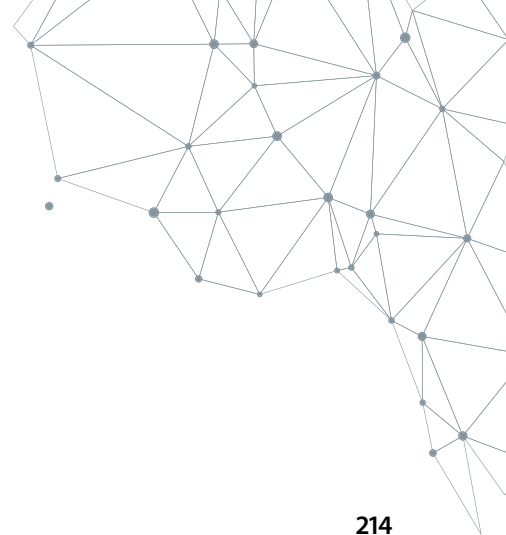
Signature: 

### Approved by:

**Simphiwe Thobela:**

Chairperson: Accounting Authority

Signature: 



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## **PART A: MICT SETA MANDATE**

# MICT SETA Mandate

## 1. UPDATES TO THE RELEVANT LEGISLATIVE AND POLICY MANDATES

### 1.1 Constitutional mandates

The Constitution of the Republic of South Africa, 1996 (Act No. 108 of 1996) has been duly considered during the development of this Annual Performance Plan. The MICT SETA will ensure compliance with all sections of the Constitution with specific focus on:

- **Promoting and maintaining high standards of ethics (Section 195 of the Constitution of the Republic of South Africa, 1996)**

The MICT SETA will continue to implement fraud prevention, detection and response strategies in its drive to promote ethics and fight fraud and corruption when delivering its mandate.

- **Providing service impartially, fairly, equitably and without bias (Section 196 (4) of the Constitution of the Republic of South Africa, 1996)**

The MICT SETA will ensure accessibility and accuracy of information to its stakeholders. The SETA has over the years provided equitable opportunities to vulnerable groups in the society, particularly Black people, women and persons living with disabilities to access skills development opportunities within the MICT sector.

- **Utilising resources efficiently and effectively (Section 195 of the Constitution of the Republic of South Africa, 1996)**

The MICT SETA will continue to ensure accountability, transparency, and value for money, ensuring that available resources are used effectively and efficiently without wastage, and in a way that optimises the public benefit. This will be done with fairness and integrity.

- **Responding to people's needs; the citizens are encouraged to participate in policy-making (Section 195 of the Constitution of the Republic of South Africa, 1996)**

In complying with this mandate, the SETA will ensure that its stakeholders' needs are responded to in accordance with available resources at its disposal. The MICT SETA will continue to promote a people centred approach, characterised by equity, equality, and a strong code of ethics. Respective stakeholders will be included in its structures to provide opportunities for collective decision making.

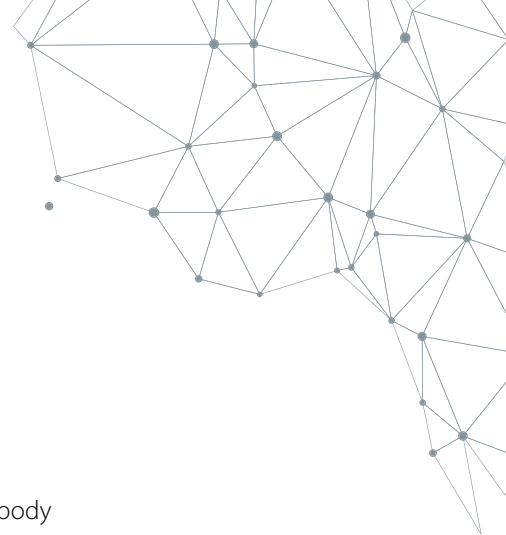
- **Rendering an accountable, transparent, and development-oriented administration (Section 195 of the Constitution of the Republic of South Africa, 1996)**

The SETA will continue to deploy effective, efficient, and transparent systems for financial management, risk management and overall internal controls. Constant monitoring and risk mitigation processes will ensure achievement of MICT SETA's objectives and good governance practices. The MICT SETA will promote representation, equity and eliminate all forms of discrimination in compliance with the relevant legislations.

### 1.2 The Skills Development Act 1998

The MICT SETA is established in terms of the Skills Development Act, 1998 (Act No. 97 of 1998, as amended). In contributing to the objectives of this Act, this SETA will support skills development within its sector by:

- Implementing its Sector Skills Plan
- Promoting Learnerships in each of its sub-sectors



- Performing the functions of an Education and Training Quality Assurance body
- Liaising with the National Skills Authority on skills development matters
- Concluding a service level agreement with the Director-General of the Department of Higher Education and Training in terms of section 10A of the Act
- Promoting the national standard established in terms of section 30B of the Act
- Submitting budgets, reports and financial information that are required in terms of the Public Finance Management Act, 1999 to the Director-General of the Department of Higher Education and Training.

### 1.3 MICT SETA constitution

Further to the SDA mandate outlined above, the MICT SETA Constitution published in the Government Gazette no. 35336 of 11 May 2012 commits the SETA to:

- Facilitate the involvement of line function government departments in SETA activities
- Promote SMME training to enable them to qualify for public contracts
- Perform any duties imposed by the Act and to actively pursue concrete measures to achieve the objectives of all applicable Acts.

### 1.4 The Skills Development Levies Act, 1999

The Skills Development Levies Act (Act No 09 of 1999), as amended, requires the MICT SETA to use all monies received in terms of the Skills Development Levies Act to administer the activities of the SETA. The MICT SETA will pay all compliant employers within its sector their mandatory grants. It will implement its SSP and APP as contemplated in the Treasury Regulations through the allocation of the discretionary grants, and in accordance with the Skills Development Levies Act.

### 1.5 Funding regulations

The MICT SETA will comply with 'Government Gazette, No. 35940, published 3 December 2012, regarding monies received by a SETA and Related Matters' when administering all levies received from employers falling within its sector in the following:

**Table 1: Grant breakdown**

Total levies received by a SETA		80%
Mandatory grants		20%
Discretionary Grants		49.5%
Administration		10.5%

## MICT SETA Mandate *(continued)*

### 1. UPDATES TO THE RELEVANT LEGISLATIVE AND POLICY MANDATES *(continued)*

#### 1.6 The National Qualifications Framework Act

As stipulated in the NSQ Act (Act No 67 of 2008), the objectives of the NQF are to create a single integrated national framework for learning achievements; facilitate access, mobility and progression within education, training and career paths; enhance the quality of education and training and accelerate the redress of past unfair discrimination in education, training and employment opportunities. In contributing to the afore-mentioned objectives, the MICT SETA will support its sector through the allocation of 80% of its discretionary grants to implement NQF aligned PIVOTAL programmes in the form of Learnerships, Skills Programmes, Bursaries, Work Integrated Learning and Professional programmes.

#### 1.7 Public Finance Management Act

The Public Finance Management Act (Act no 29 of 1999) (PFMA), requires all public entities to ensure financial prudence and good governance. The MICT SETA as a public entity will ensure that all revenue, expenditure, assets, and liabilities entrusted to it are managed efficiently and effectively. The MICT SETA will manage the budget preparation process; monitor the implementation and report to National Treasury accordingly. Furthermore, the MICT SETA will ensure compliance with the PFMA by establishing banking accounts, using all monies received in terms of the Skills Development Levies Act to:

- Administer the activities of the SETA
- Pay employers their mandatory grants
- Implement its SSP and APP as contemplated in the Treasury Regulations issued in terms of the Public Finance Management Act, through the allocation of the discretionary grants
- Transfer any unclaimed mandatory funds and any interest earned thereon each financial year into the discretionary fund.

The MICT SETA will allocate 80% of its available discretionary grants within a financial year to PIVOTAL programmes that address occupational shortages and skills gaps in its sectors in compliance with these Regulations. The MICT SETA has set out in its APP a reasonable estimate of discretionary grants that will be available in the sector for training on industry skills needs in accordance with these legislations.

#### 1.8 Preferential Procurement Policy Framework Act, 2000

Section 217 of the Constitution of the Republic of South Africa states that when an organ of state in the National, Provincial or Local sphere of government, or any other institution identified in national legislation, contracts for goods or services, it must do so in accordance with a system which is fair, equitable, transparent, competitive, and cost-effective. Furthermore, it stipulates the need to implement a Procurement Policy that will provide for categories of preference in the allocation of contracts; and the protection or advancement of persons, or categories of persons disadvantaged by unfair discrimination. The purpose of the Preferential Procurement Policy Framework Act is to promote an inclusive economy and to ensure that Small Medium and Micro enterprises are afforded more opportunities in government procurement. The MICT SETA will ensure full compliance with this legislation to enhance participation for inclusive economy.



## 1.9 Employment Equity Act, 1998

The main purpose of the Employment Equity Act (Act No 55 of 1998) is to achieve equality in the workplace by promoting equal opportunity and fair treatment through the elimination of unfair discrimination, implementing positive measures (affirmative action) to ensure the equitable representation of Black people, women and people with disabilities at all levels in the workplace. In contributing to the decrees of this Act, the MICT SETA will ensure that steps are taken to prevent discrimination in any employment policy or practice. The MICT SETA will ensure that unfair discrimination with regards to race, sex, pregnancy, HIV status and religion, among others, will be curbed at all times.

## 1.10 Broad-Based Black Economic Empowerment

The Broad-Based Black Economic Empowerment (B-BBEE) protocol has an important influence on the MICT sector. The Broad-Based Codes of Good Practice were launched in 2007 and provided a framework for measurement of B-BBEE in terms of the BEE Act 53 of 2003. Although the 2007 codes encouraged voluntary compliance with B-BBEE, the current codes appear to be punitive in nature. The codes, which came into effect in 2015, provide some guidance in dealing with various elements. Skills Development has been classified as a priority element and thus the measurement principles cannot be deviated from however, the sector (e.g., through a revised ICT charter), can adjust targets and weightings. As a priority element, a sub-minimum of 40% of the total weighing points must be achieved. This means employers will be obliged to score at least 8 out of a possible 20 points on the Skills Development Scorecard. Failure to achieve sub-minimum, results in overall BEE score being automatically docked by one level. The target for skills development is 6% of payroll, which is an increase from the previous codes' 3%.

The 6% however can be spent on both employed and unemployed persons although the training must mirror the economically active population of the province or region in which the business operates. The MICT SETA constantly engages with employers in the sector as well as with industry bodies to advance B-BBEE in the sector. Given that internships are now fully recognised on the same level as learnerships in the score card (as well as placement after completion), the SETA will intensify its support for employers implementing both programmes for B-BBEE purposes and, simultaneously, addressing youth unemployment challenges.

Additionally, the SETA will continue to align its learning programmes with the NQF registered programmes for employers to benefit in terms of B-BBEE while, at the same time, maximising support in addressing their skills needs. Furthermore, the SETA strives to ensure that the level of engagement with its suppliers is one that seeks to attract designated groups in the effort to transform the sector and the economy.



## MICT SETA Mandate *(continued)*

### 2. UPDATE TO INSTITUTIONAL POLICIES AND STRATEGIES

South Africa's development strategy is underpinned by the National Development Plan (NDP) which challenges the country to achieve sustained levels of economic growth through to 2030. There are a range of 'levers', 'pillars' or policy interventions that are understood to contribute to this planned growth. As an integral part of the South African society, the MICT sector is impacted by various national strategies and plans and therefore needs to respond to those by addressing skills development challenges within its context. The government's key planning policies and priorities that impact the MICT sector, a brief description of how each will be provided for and the implications for the sector, are outlined below:

#### 2.1 National Development Plan

The NDP Vision 2030 (November 2011) identifies as one of the core priorities: Reducing unemployment to 6% by 2030. The intention is to increase the number of people in employment from the current 13-14 million to around 24 million in that period. Other objectives include eradicating poverty and reducing inequality. In meeting the objectives of this Plan, the MICT SETA has identified the following areas of action to be supported through its learning interventions:

- A larger, more effective innovation system closely aligned with firms that operate in sectors consistent with the growth strategy;
- Support for small businesses through better coordination of relevant agencies, development of finance institutions, and public and private incubators;
- An expanded skills base through better education and vocational training, and
- Business incubation for SMMEs generally and the expansion of business services in particular as priority actions for growth and development.

The MICT sector is at the centre of the National System of Innovation (NSI) and would thus have to play a leading role in supporting effectiveness and efficiency to promote economic growth at the requisite levels to achieve NDP objectives. The MICT SETA endeavours to propel the sector's innovation system through continued funding of bursaries at research level. Similarly, equal focus will be channelled towards continued support for SMEs through more focused internship and incubation programmes. TVETs will also continue to receive particular attention to ensure expanded technical skills through vocational training.

#### 2.2 NDP Five Year Implementation Plan: Medium-Term Strategic Framework (MTSF)

The NDP five-year implementation plan promotes the Medium-Term Strategic Framework (MTSF) which is a prioritisation framework to focus the government's efforts on a set of manageable programmes and provides guidance regarding the allocation of resources across all spheres of government. In contributing to the MTSF, the MICT SETA will continue to prioritise specific NDP targets when allocating resources at its disposal. This will be done through strengthening integrated planning with its stakeholders and ensuring collaborations and partnerships in planning. The realisation of national development priorities requires that all sectors develop and implement sector plans that are aligned to the NDP and guided by a common planning approach, hence the aforementioned planning collaborative efforts. Commitment by the SETA in this regard will be to implement these outcomes; a credible institutional mechanism for labour market and skills planning, increase access and success in programmes leading to intermediate and high-level learning, Increase access and efficiency of high-level occupationally directed programmes, and Increase access to occupationally directed programmes in needed areas and, in so doing, expand the availability of intermediate level skills.



## 2.3 Monitoring Framework for NDP Five-Year Implementation Plan

The development of an effective monitoring and evaluation framework is crucial for the successful implementation of any programme, particularly for the NDP in this instance. The MICT SETA values the importance of monitoring and evaluation and will continue to use it to assess progress made towards the achievement of targets and to measure impact in the long-term.

## 2.4 Industrial Policy Action Plan (IPAP)

IPAP has identified a number of priority sectors which it aims to support for development in the country. Those that have a direct link with the MICT sector include:

- Facilitate the upgrade of manufacturing facilities and capabilities to increase domestic production and growth of exports;
- Green industries;
- Commercialisation of technologies, and
- Skills development for the business process outsourcing sector.

As stakeholders in the sector start to engage in these programmes, MICT SETA will continue to be a skills development partner, ensuring that the requisite skills are developed along the way. Similar to the NDP objectives, the MICT SETA will leverage its partnerships with industry to drive innovative research in areas such green skills that also offer opportunities to small business to play a significant role in the country's manufacturing and technology ecosystem.

## 2.5 White Paper on Post Schooling Education and Training

The White Paper envisages an expanded, effective, and integrated post-school system in South Africa. It is premised on achieving:

- Expanded access to TVET and university education;
- Establishment of community colleges and skills centres to mainstream vocational education and training;
- Establishment of a national skills planning mechanism within DHET;
- A strengthened NSA to perform a monitoring and evaluation role in the skills system, and
- Opening up workplaces to give more youth access to work integrated learning opportunities.

The white paper further notes that in future, SETAs will be given a clearer and to some extent, a narrower and more focused role. In supporting the White Paper's call for an efficient skills development system, the MICT SETA engages in a rigorous strategic planning process that ensures the delivery of technical and vocational skills demanded by its sector and the broader economy. The SETA will ensure expanded access to TVET and University education through bursaries. This will directly contribute to one of the premises of the White Paper to expand access to TVET and University education.



## MICT SETA Mandate *(continued)*

### 2. UPDATE TO INSTITUTIONAL POLICIES AND STRATEGIES *(continued)*

#### 2.6 The National Integrated ICT Policy Review Report

The final National Integrated ICT Policy Review Report was published in March 2015. It made a number of recommendations on skills development in anticipation of infrastructure rollout:

- Widespread basic technology skills to take advantage of universal access to broadband and increase demand for ICT products and services;
- Public service skills to ensure public servants in all three tiers of government are adequately skilled to drive more efficient delivery of services using Government-to-Business, Government-to-Government, Government-to-Citizen and Citizen-to-Government modes;
- A diverse skills base across professions, from both user and ICT developer perspectives, which catalyses the growth of ICT-enabled industries;
- A sufficient supply of skilled professionals, researchers and innovators to build the ICT products and services industry, so that we are not dependent on the import market; and
- Skills development to ensure the anticipated infrastructure expansion is built, serviced, and maintained by a majority South African workforce.

All of the above are emphasised in SA Connect which provides for interventions within the basic education and post-school sectors, in government and adult e-literacy as well as youth development and sectoral programmes. The MICT SETA, in developing learning programmes, will align to the goals of this plan, with emphasis on advocating the creation of a dynamic and connected information society and a vibrant knowledge economy that is more inclusive. Through continued championing of skills development interventions, the SETA will contribute to expand the national system of ICT research, development, and innovation.

#### 2.7 Strategic Integrated Projects (SIPs)

One of the Strategic Integrated Projects outlined by the Presidential Infrastructure Coordinating Commission (PICC) is SIP-15: 'Expanding Access to Communication Technology.' It includes:

- Infrastructure development for higher education focusing on lecture rooms, student accommodation, libraries and laboratories as well as ICT connectivity. Development of university towns with a combination of facilities from residence, retail, recreation and transport. Creating potential to ensure shared infrastructure such as libraries at universities, TVETs and other educational institutions;
- Provide for 100% broadband coverage to all households by 2020 by establishing core Points of Presence (POP's) in district municipalities, extend new fibre networks across provinces linking districts, establish POP's and fibre connectivity at local level, and further penetrate the network into deep rural areas;
- While the private sector will invest in ICT infrastructure for urban and corporate networks, government will co-invest for township and rural access as well as for e-government, school and health connectivity;
- The school rollout focuses initially on the 125 Dinaledi (science and maths focussed) schools and 1 525 district schools. Part of digital access to all South Africans includes TV migration nationally from analogue to digital broadcasting, and
- Square Kilometre Array (SKA) is a global mega science project, building an advanced radio-telescope facility linked to research infrastructure. This will provide an opportunity for Africa and South Africa to contribute towards advancing science.



The DHET published a report that assesses the skills needs 'for and through SIPs' {Economic Development Department, 2014 #18} points specifically to the demand for database and network professionals. These professionals are expected to design, develop, control, maintain and support the optimal performance and security of information technology systems and infrastructure including databases, hardware and software, networks, and operating systems. The need for specialist data scientists able to deal with large volumes of data, was identified by the SKA and various sub-disciplines within industrial and electrical engineering.

The MICT SETA is and will continue to be the skills development partner to support SIP 15 dealing with universal access to broadband. In this regard, the SETA already works with a number of partners within the sector, including the CSIR, DST, DTPS and USASSA. The partnerships aim to ensure sound delivery and provision of requisite services and products by skilled professionals and specialists.

## 2.8 Provincial and Local Government Plans

Municipal integrated development plans as well as provincial growth and development strategies are key as they guide planning and development across the nine provinces and 278 municipalities. With the country's rural development strategy, these plans and strategies have to be considered to identify areas for potential growth. Each province's PGDS identifies areas for economic development as well as plans of the province to develop such industries. Where MICT SETA related industries have been identified as key areas for development, the SETA will prioritise those and ensure that support is offered and partnerships are effective.

## 2.9 National Skills Development Plan (NSDP)

In the new planning cycle, the MICT SETA responds to the eight NSDP outcomes by identifying and addressing occupations in high demand, linking MICT SETA education and training providers with respective workplaces, contribute to the improvement of industry's workforce skills levels, supporting the growth of the TVETs and CETs through work integrated learning (WIL), supporting skills development for entrepreneurship and cooperatives and rural learners, encouraging and supporting worker initiated (unions/federations), and supporting career development services. These outcomes will be achieved through the implementation of the SETA's key strategic priorities listed below.

## 2.10 Sector priorities

While it is the MICT SETA's ambition to work with and service the entire employer base for the sector, there are a number of inhibiting factors. Primarily, levy payers represent almost 25% of all employers in the sector as the sector base is predominately constituted by small sized companies, representing almost 96% of all employers in the sector (as supplied by SARS). Additionally, the MICT sector does not, in reality, comprise all organisations demarcated to its five sub-sectors by SARS. There are employers that provide ICT services together with other professional services who are located in other clusters. Though such employers are generally recognised as falling within the MICT sector, they define themselves outside of this sector in terms of the skills development system.

In response, the MICT SETA will continue to prioritise its role as a strategic skills development partner that can enhance the sustainability and growth of small businesses in the sector. Support for SMMEs will focus on sustained collaboration with key stakeholders to encourage incubation of these businesses. Additionally, the SETA will continue to bolster rural outreach initiatives. Primarily, this strategy will focus on responding to the key NSDP outcomes and ERRP interventions that find expression in the SETA's scope. Embedding skills planning into sectoral processes will remain a priority, as will collaborations with public TVET colleges as the primary modes of delivery of e-readiness skills and other skills required in rural areas. The establishment of new, small-scale firms and cooperatives focused on ICT services in rural areas, has opened up opportunities for skills development.

## MICT SETA Mandate *(continued)*

### 2. UPDATE TO INSTITUTIONAL POLICIES AND STRATEGIES *(continued)*

#### 2.10 Sector priorities *(continued)*

The MICT SETA supports government's various policy and planning interventions aimed at achieving the objectives of the National Development Plan (NDP). These policies and plans have a direct bearing on the sector's skills development endeavours and as such, will have a coherent response from the MICT SETA and its stakeholders and will be neatly woven into this Strategic Plan. Listed below are the SETA's strategic key priorities in order of importance. They are further detailed in the research findings section of this Strategic Plan.

Below are the sector priorities as identified in the 2023/24 SSP, and the MICT SETA outcomes

**Table 2: SETA priorities and outcomes**

MICT SETA 2023/24 outcomes/priority areas in SSP	MICT SETA outcomes	
Support for SMMEs, Entrepreneurship and community-based organisations, particularly in relation to 4IR cross-sectoral partnerships and projects for sustainable growth.	<b>Outcome 1</b>	Support the sustainability and growth of SMMEs, Entrepreneurship, Cooperatives and community-based organisations.
	<b>Outcome 2</b>	Ensure good corporate governance and a productive workforce.
Credible labour market information that accurately identifies occupations in high demand.	<b>Outcome 3</b>	Increase and improve labour market information that accurately identifies occupations in high demand.
Increased and focused skills development for rural and marginalised communities to ensure inclusivity through technology skills development.	<b>Outcome 4</b>	Increase focused skills development interventions for rural and marginalised communities to ensure inclusivity.
Support initiatives that prioritise the provision of agile, flexible and demand-led skills development programmes, retraining/upskilling being a priority.	<b>Outcome 5</b>	Increase access to and delivery of industry and occupationally directed priority programmes and work placements.
Enablement of the Fourth Industrial Revolution (4IR).	<b>Outcome 6</b>	Enablement of the Fourth Industrial Revolution (4IR)
Support growth of the public college system through sectoral partnerships in the delivery of learning interventions.	<b>Outcome 7</b>	Enable the growth of the public college system through sectoral partnerships in the delivery of learning interventions.
	<b>Outcome 8</b>	Improve the quality of education to address programmes in high demand within the MICT Sector.
	<b>Outcome 9</b>	Supported career development services within the MICT sector.



These priorities will be implemented in accordance with the MICT SETA policies and procedures. In some instances, they will be addressed through special projects to ensure support for the sector and government while, at the same time, assisting in the achievement of quarterly SETA targets. Below is an alignment between the strategic key priorities and the MICT SETA strategic oriented goals.

**Table 3: NSDP Outcomes**

NSDP outcomes	MICT SETA outcomes
<b>Outcome 1:</b> Identify and increase production of occupations in high demand	<b>Outcome 2:</b> Increase and improve labour market information that accurately identifies occupations in high demand.
<b>Outcome 2:</b> Linking education and the workplace	<b>Outcome 4:</b> Increase access to, and delivery of industry and occupationally directed priority programmes and work placements.
<b>Outcome 3:</b> Improving the level of skills in the South African workforce	<b>Outcome 8:</b> Improve the quality of education to address programmes in high demand within the MICT sector.
<b>Outcome 4:</b> Increase access to occupationally directed programmes	<b>Outcome 4:</b> Increase access to, and delivery of industry and occupationally directed priority programmes and work placements.
<b>Outcome 5:</b> Support the growth of the public college system	<b>Outcome 7:</b> Enable the growth of the public college system through sectoral partnerships in the delivery of learning interventions.
<b>Outcome 6:</b> Skills development support for entrepreneurship and cooperative development	<b>Outcome 1:</b> Support the sustainability and growth of SMMEs, Entrepreneurship, Cooperatives and community-based organisations
<b>Outcome 7:</b> Encourage and support worker initiated training	<b>Outcome 4:</b> Increase access to, and delivery of industry and occupationally directed priority programmes and work placements.
<b>Outcome 8:</b> Support career development services	<b>Outcome 3:</b> Supported career development services within the MICT sector.

## 2.11 Economic Reconstruction and Recovery Plan and Skills Strategy

The main skills problems outlined in the Economic Reconstruction and Recovery Plan (ERRP) relate to a skills mismatch in the South African labour market. The increase in the use of technology has resulted in semi-skilled and unskilled people being left behind and has prompted the need to rethink how key role players can participate in building a skills base for the economy. The skills strategy was developed because of the urgency for a well-coordinated strategy of skills development to support both the management of the COVID-19 pandemic and the economic and social recovery. Short-term in nature, the strategy is designed to ensure that the skills system is strengthened with its implementation. The strategy will focus on interventions that allows for large numbers of youth to access opportunities in the short-term. Furthermore, it contains ten interventions to ensure the effective implementation of the ERRP. The SETAs, including the MICT SETA, finds expression in six of the interventions. These are:

## MICT SETA Mandate *(continued)*

### 2. UPDATE TO INSTITUTIONAL POLICIES AND STRATEGIES *(continued)*

#### 2.11 Economic Reconstruction and Recovery Plan and Skills Strategy *(continued)*

**Table 4: ERRP Interventions**

ERRP interventions	MICT SETA SP outcomes
<b>Intervention one:</b> Embedding skills planning into sectoral processes.	<b>Outcome 2:</b> Increase and improve labour market information that accurately identifies occupations in high demand
<b>Intervention three:</b> Increased access to programmes resulting in qualifications in priority sectors.	<b>Outcome 4:</b> Increase access to, and delivery of industry and occupationally directed priority programmes and work placements.  <b>Outcome 11:</b> Improve the quality of education to address programmes in high demand within the MICT sector.
<b>Intervention four:</b> Access to targeted skills programmes.	<b>Outcome 4:</b> Increase access to, and delivery of industry and occupationally directed priority programmes and work placements.
<b>Intervention six:</b> Supporting entrepreneurship and innovation.	<b>Outcome 8:</b> Increased skills development support for SMMEs, entrepreneurship, cooperatives development and Community Based Organisations.
<b>Intervention seven:</b> Retraining/up-skilling of employees to preserve jobs.	<b>Outcome 4:</b> Increase access to, and delivery of industry and occupationally directed priority programmes and work placements.
<b>Intervention ten:</b> Strengthening the post-school education and training system.	<b>Outcome 7:</b> Support the growth of the public college system.

### 3. RELEVANT COURT RULINGS

Business Unity South Africa versus the Minister of Higher Education and Training (DHET):

SETA Grant Regulations 3 December 2012 as re-promulgated: Mandatory Grants.

Regulation 4(4) of the 2012 Grant Regulations, as promulgated in 2012, reduced the mandatory grant that an Employer could claim from 50% to 20% of the total levies paid. The way that the Regulations were promulgated led to litigation by Business Unity South Africa (BUSA), to which a ruling was ultimately made by the Labour Appeal Court in October 2019, the effect of which Regulation 4(4) was set aside.

The ruling is silent on the percentage quantum that can be claimed back by employers and on the effective date of the order. The effect is that the Minister would have to decide on the percentage for mandatory grants, in consultation with the sector. To date, there has been no communication regarding the approved mandatory grant percentage. The Minister is in consultation with the sector regarding this matter.

DHET splits the mandatory grant levy income portion at a rate of 20% in the monthly levy download information. Consequently, the SETA has continued to pay and accrue mandatory grants at 20% in the 2022/23 financial year, which is also aligned to the approved Annual Performance Plan. For the MTEF period, the mandatory grant has been accrued at 20% until such time a decision is made on the percentage as per directive no11/2020 as issued by DHET.





## **PART B: MICT SETA STRATEGIC FOCUS**

## MICT SETA Strategic Focus

### 4. UPDATED SITUATIONAL ANALYSIS

This situational analysis seeks to provide an environmental context in which the MICT SETA functions. The section provides a multi-dimensional analysis of current sector performance, identifying factors impacting on the sector as outlined in the MICT SETA Sector Skills Plan 2023/24. The Standard Industrial Classification (SIC) codes classify business establishments and other standard units by the type of economic activity in which they are engaged. The table below represents the SIC Codes falling within the MICT SETA economic sector as published in Government Notice, No. 42589, Government Gazette, 22 July 2019.

**Table 5: MICT SETA Standard Industry Classification Codes (SIC)**

Sub-sector	SIC code	Main activity description
Advertising	88310	Advertising
	88311	Activities of advertising agents
	88313	Commercial design
Film and Electronic Media	96110	Motion picture and video production and distribution
	96112	Related activities – film and tape renting to other industries, booking, delivery and storage
	96113	Film and video reproduction
	96132	Production and broadcast of radio and television broadcast content
	96200	News agency activities
	88940	Photographic activities
Electronics	35791	Manufacture of alarm systems
	75216	Security systems services except locksmiths
	75217	Office automation, office machinery and equipment rental leasing including installation and maintenance
	86004	Electronic and precision equipment/computer repairs and maintenance
	86010	Consumer electronics repair and maintenance
	86013	Other electronic and precision equipment repair and maintenance
	86014	Repair and maintenance of electronic marine equipment
	87142	Research and development of electronic equipment and systems
	87143	Information technology import and product integration of pre-manufactured electronics it and telecommunications equipment
	87146	Research and development in the physical and engineering sciences
	87147	Electronics importation and product integration of pre-manufactured electronics it and telecommunications equipment
	96133	Installation, maintenance and repair of tracking devices for cars



Sub-sector	SIC code	Main activity description
Information Technology	86001	Software publishers
	86002	Computer systems design and related services
	86003	Computer facilities management services
	86005	Computer rental and leasing
	86006	Computer programming services
	86007	Other computer related activities
	86008	Call centre and customer relationship management systems development and installations activities
	86009	Computer system design services and integrated solutions
	86011	Computer and office machine repair, maintenance and support services
Tele-communications	75200	Telecommunication
	75201	Wired telecommunications carriers
	75202	Television and radio signal distribution
	75203	Cable networks and programme distribution
	75204	Telephone
	75205	Wireless telecommunications carriers except satellite radio telephone
	75209	Television broadcasting
	75211	Telecommunications and wired telecommunication carriers
	75212	Paging
	75213	Cellular and other wireless telecommunications
	75214	Satellite telecommunications
	75215	Other telecommunications
	86012	Communication equipment repair and maintenance
	87148	Telecommunications importation and product integration of pre-manufactured electronics it and telecommunications equipment
	96131	Providing radio and television transmission signals

Source: Government Notice, No. 42589, Government Gazette, 22 July 2019



## MICT SETA Strategic Focus *(continued)*

### 4. UPDATED SITUATIONAL ANALYSIS *(continued)*

- Strategic focus of the MICT SETA over this Annual Performance Planning period**

The strategic focus of the MICT SETA for this planning period includes ensuring effective leadership of and commitment to the development of skills for the sector and beyond. Further focus will be on leveraging the private sector investment in research and development, support for learners to acquire digital technology skills and apply them through learning laboratories. This will create a better understanding of the MICT career opportunities, ensuring informed choices and decisions by respective stakeholders.

- Recent statistics relevant to the MICT SETA and the sector**

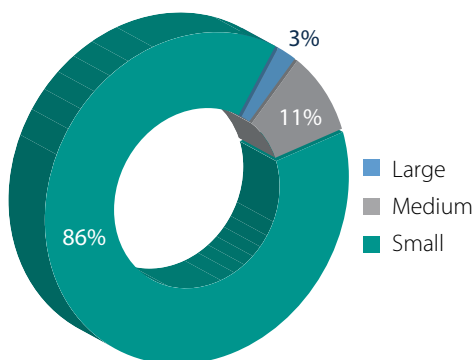
The MICT sector is made up of five sub-sectors that are inter-related but also quite distinct and identifiable in their own right. They are Advertising, Film and Electronic Media, Electronics, Information Technology and Telecommunications. These sub-sectors are increasingly converging into a single ICT ecosystem using similar technologies. The MICT sector covers an array of segments such as market research, business process automation, media, data services, software, hardware, telecommunications, financial and risk information, and security, among others. The sector is anchored by the role of unified communications which enables access, storage, transmission, and manipulation of information.

As of 2022, the MICT Sector is made up of 32 985 employers, which are spread across five sub-sectors. These estimates represent only those companies allocated to the MICT SETA through the SARS registration process. The majority (57%) of the employers in the sector (both levy and non-levy payers) operate within the Information Technology sub-sector, followed by 15% in Telecommunications, and 13% in Electronics. The advertising sub-sector captures 8% of employers and the Film and Electronic Media sub-sector captures 7% of employers. Of the 32 985 employers in the sector, only 8 896 paid skills development levies during the 2021/22 financial year, marking a 2.2% decrease in levy payers from 2020/21.

- Demographic data that will be used to inform planning for the three-year period.**

The vast majority (86%) of employers in the sector are small businesses employing below 50 employees, 11% medium and 3% are large businesses employing above 50 employees.

**Figure 1: Size of employers in the sector**

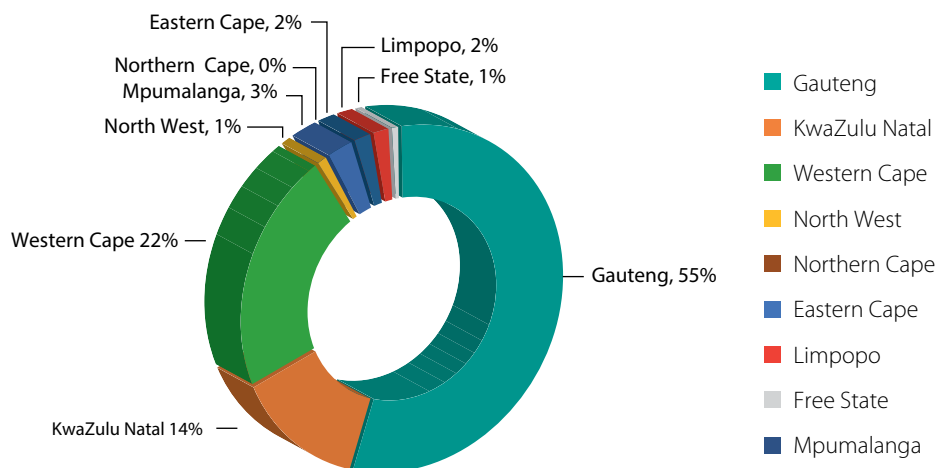


Source: MICT SETA Levy Hype File, 2022

Gauteng (55%) hosts the largest proportion of employers across the five sub-sectors followed by the Western Cape accounting for 22%. 14% of employers are based in KwaZulu Natal while 3% are in Mpumalanga. The Eastern Cape and Limpopo provinces each account for 2% of employers, while the Free State and the North-west provinces

account for 1% each. The table below illustrates employer base per province.

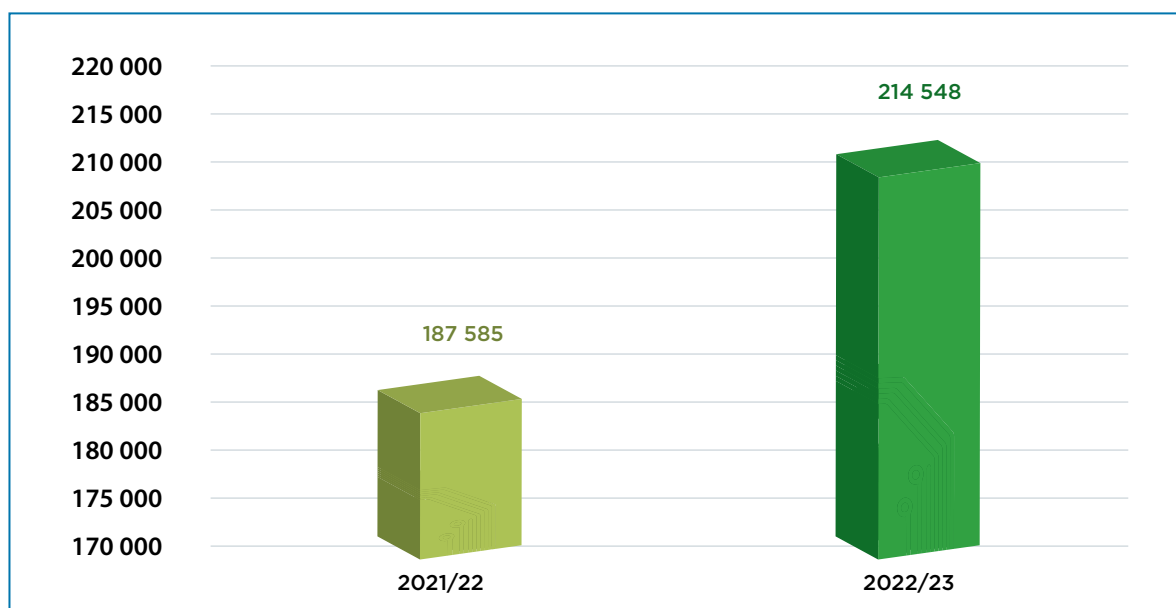
**Figure 2: MICT sector size of employers per province**



Source: MICT SETA Levy Huge File, 2022

In 2021 and 2022, the MICT sector experienced a sharp increase in the number of employees recording a total of 214 548 in 2022, from 187 585 in 2021. This can be seen in the figure below.

**Figure 3: Employment in the MICT sector**



Source: MICT SETA Levy Huge File, 2022

The largest proportion (54%) of employees are working in the Information and Technology sub-sector followed by 28% working in the Telecommunications sub-sector, and 9% in the Electronics subsector. The sub-sectors with the lowest number of employees are Advertising accounting for 4% of employees and Film and Electronic Media accounting 5%. The table below shows the disaggregation:

## MICT SETA Strategic Focus *(continued)*

### 4. UPDATED SITUATIONAL ANALYSIS *(continued)*

**Table 6: Number of employees by sub-sector**

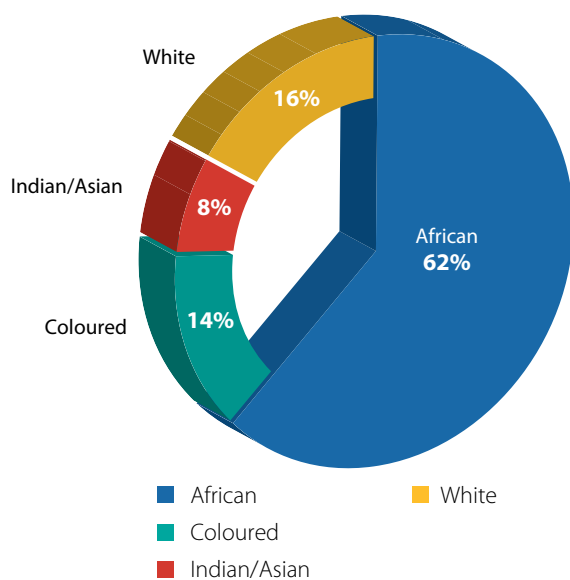
Sub-Sector	Number of employees	% of employees
Advertising	8 964	4%
Film and Electronic Media	10 968	5%
Electronics	19 522	9%
Information Technology	115 003	54%
Telecommunications	60 121	28%

Source: MICT SETA Levy Huge File, 2022

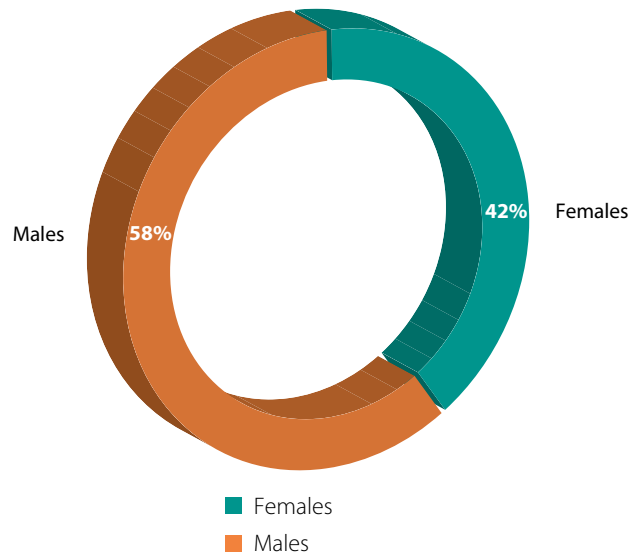
The highest proportion of people employed in the sector are African (62%), followed by White (16%). These two race categories make up just over three quarters (78%) of the total number of employees in the MICT sector. Compared to 2021, the proportion of African and White employees in the sector changed significantly, with the proportion of African employees increasing by 15 % and the proportion of White employees decreasing by 14 %, although this is largely in the lower and mid-level occupational groups. Coloured employees account for 14% and Indian/Asian employees account for 8% of employees in the sector. This can be seen in the figure below:

**Figure 4: Race and gender profiles of employees**

#### Race



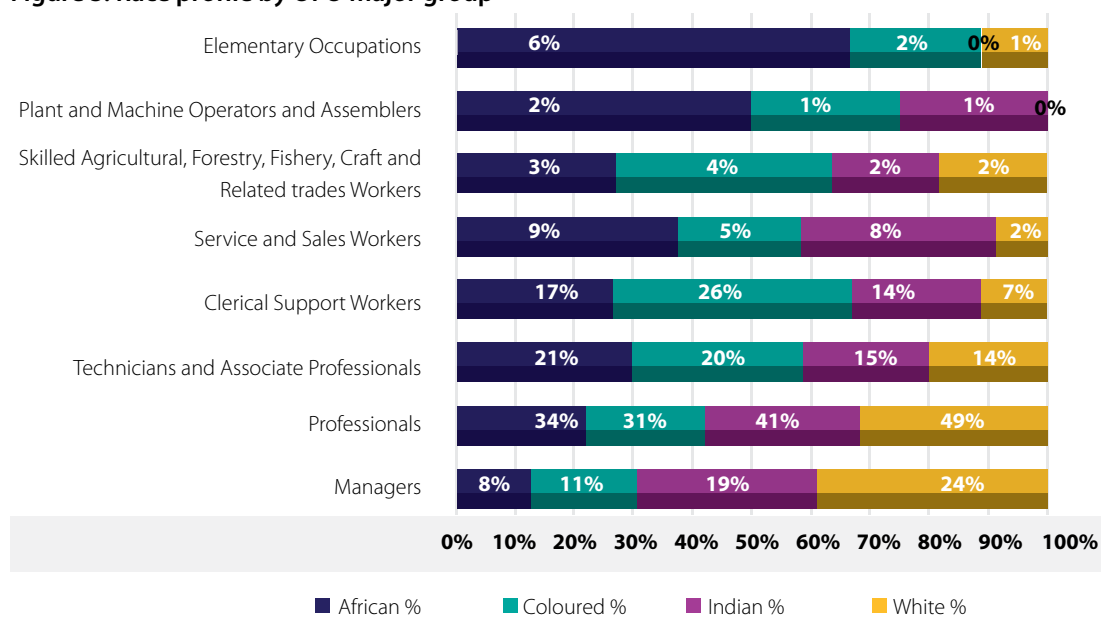
#### Gender



Source: MICT SETA Levy Huge File, 2022

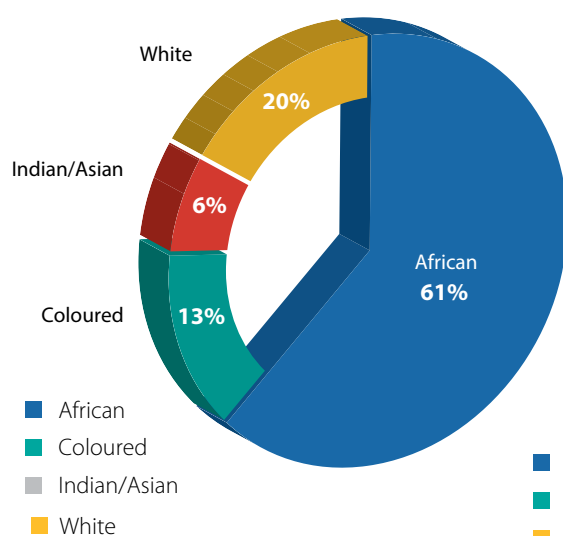
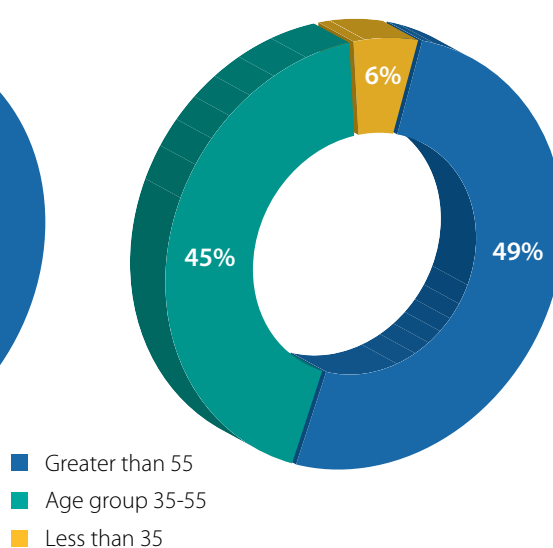
Furthermore, there are more male employees (58%) in the sector than females. These results have remained similar over the past three years.

While Africans make up the largest employee group by race, they still occupy relatively lower positions compared to other race groups and enjoy less representation at senior level. The figure below demonstrates that only 8% of African employees occupy managerial positions (with a 1% increase from 2021) and 34% occupy professional positions (an increase of 1% from last year).

**Figure 5: Race profile by OFO major group**

Source: MICT SETA WSP/ATR, 2022

Furthermore, in terms of disability, most of the employees with disabilities are African at 61%. This is followed by White employees (20%) and Colored employees (13%). The Indian/Asian category only accounts for 6% of employees with disabilities within the MICT sector.

**Figure 6: Disability and age profiles of employees****Employees with disabilities****Employees by age**

Source: MICT SETA WSP/ATR, 2022

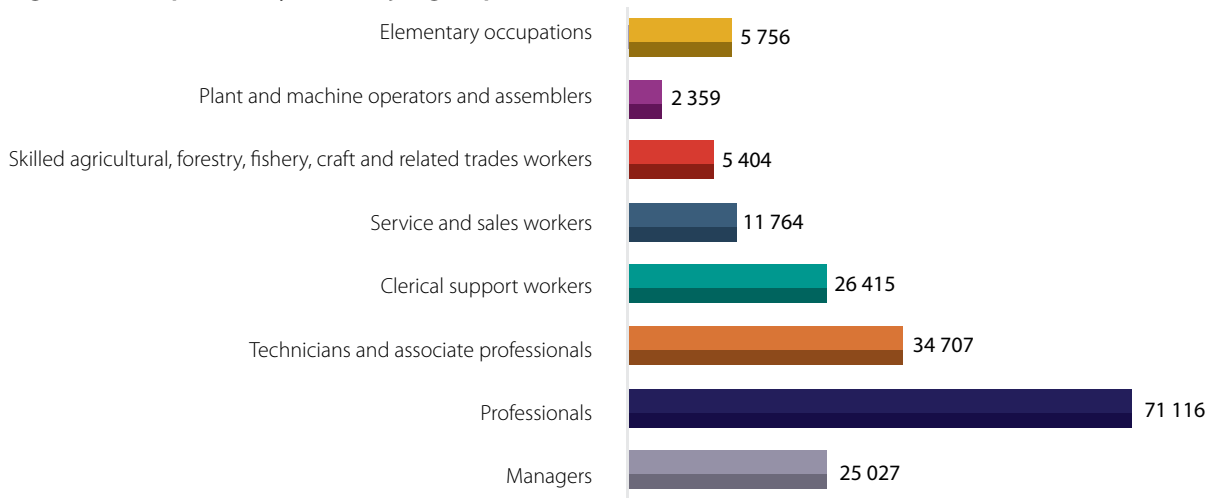
## MICT SETA Strategic Focus *(continued)*

### 4. UPDATED SITUATIONAL ANALYSIS *(continued)*

Employment in the MICT sector is dominated by younger employees. As of 2022, only 6% of people employed in the MICT sector are older than 55 years of age, of the remaining, 45% are younger than 35 years of age, and 49% are between the ages of 35 and 55.

Further expanding on the situational analysis, understanding the occupational divide of employees in a sector is important; specifically, to determine where skills development interventions are most required. The figure below shows that Professionals are the dominant occupational category in the MICT sector. This is followed by Technicians and Associate Professionals, Clerical Support Workers, and Managers. Employment within Managers, Professionals, and Associate Professionals categories typically require a degree, diploma, or NQF level 6 qualifications as an entry. Combined, these categories account for the bulk (72%) of employees in the sector. As compared to other economic sectors, which employ more people in elementary occupations, this sector reflects the converse and could be attributed to the professional services orientation of offerings by employers in the sector. The figure below shows this breakdown.

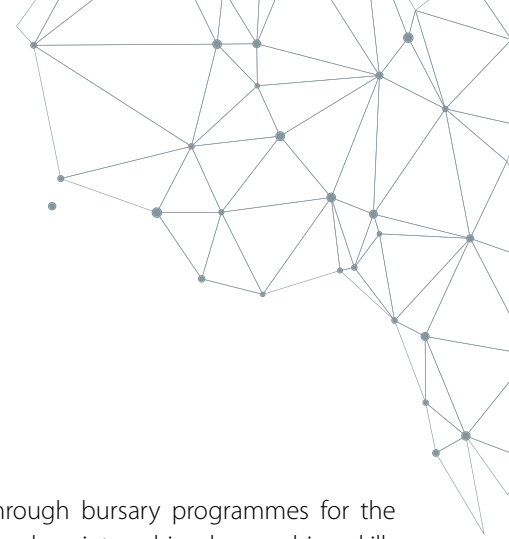
**Figure 7: Occupations by OFO major groups**



Source: MICT SETA WSP/ATR, 2022

- Relevant stakeholders contributing to the institution's achievement of its outcomes**

The MICT SETA views partnerships as a critical mechanism that safeguards the delivery of its skills development mandate. The SETA had previously established partnerships (and will continue doing so) with TVETs and universities to encourage learners from previously disadvantaged backgrounds to enrol in middle level skills through TVETs and high-level skills through universities and universities of technology. Such partnerships are intended to establish linkages between the labour market, employers and education and training providers to achieve a number of objectives in the skills supply chain. These partnerships are intended to ensure that curricula reflect the changing needs of a dynamic industry, especially since public institutions are critical contributors to technical and vocational middle levels skills, and high-level skills with regards to research and development, creativity and innovation.



The MICT SETA entered into partnerships with various stakeholders through bursary programmes for the attainment of high-level skills and occupationally directed programmes such as internships, learnerships, skills programmes, short programmes for the provision of work integrated skills for sectorial development and growth. The main partnerships were with:

- Employers
- Industry Bodies and Associations
- Industry Unions and Federations
- SMMEs
- Government Departments
- TVET colleges
- Community Education and Training Colleges
- Universities and Universities of Technology
- Research Institutions
- South African Qualifications Authority
- Quality Council for Trades and Occupations

This Annual Performance Plan will accordingly ensure that these partnerships are sustained and continue to promote invaluable relations and collaborations amongst stakeholders, industry and skills development institutions. They will be aimed at bridging the demand and supply skills mismatches and ensuring that curricula align to disruption and the ever-changing skills needs of this dynamic sector. Having painted a picture of the core elements of the MICT SETA environment, the section below will then analyse the external and internal environment.

## MICT SETA Strategic Focus *(continued)*

### 5. External Environment Analysis

#### 5.1 Factors contributing to the performance of policy and regulatory institutions

Within the MICT SETA external environment, factors contributing to the performance of policy and regulatory institutions, exploration is drawn from the Political, Economic, and Social, Technological, Environmental and Legal (PESTEL) analysis as outlined below.

**Table 8: PESTEL analysis**

Political factors	Economic factors
<ul style="list-style-type: none"> <li>• Increased focus on inter-departmental cooperation and planning</li> <li>• Increased focus on accountability and Monitoring and Evaluation systems</li> <li>• Acceleration of digitisation programmes</li> <li>• Visibly dealing with corrupt practices</li> <li>• Changing political priorities</li> <li>• Shared service programme implementation</li> </ul>	<ul style="list-style-type: none"> <li>• The MICT sector remains amongst those that were less severely impacted by the pandemic, which makes it favourably placed to leverage on inadvertent opportunities brought about by digitisation and the COVID-19 pandemic</li> <li>• International competition threatens local firms, particularly small-sized firms</li> <li>• Increased productivity and improved information flows in the economy</li> <li>• Despite the hardships brought by the pandemic whereby big businesses close shop and people are retrenched, there is also a rising interest in entrepreneurship</li> <li>• Slow rollout of COVID-19 vaccination programmes hampering economic recovery</li> <li>• High cost of technology</li> </ul>
Environmental	Legal factors
<ul style="list-style-type: none"> <li>• Increased demand for ICT and digital services</li> <li>• Opportunities in sector for green technologies and their applications</li> <li>• e-Waste management</li> <li>• Drive towards smart cities</li> </ul>	<ul style="list-style-type: none"> <li>• Revised Regulations on the allocation of the skills development levies and the on-going BUSA case with the Minister is likely to impact on skills development imperatives</li> <li>• SETA re-licensing for the next 10 years (as opposed to the previous 5-year licencing) offers more stability and an opportunity for long term strategic planning prospects</li> <li>• Impact of POPI Act</li> <li>• High cost of litigation</li> </ul>



Social factors	Technological factors
<ul style="list-style-type: none"> <li>Existing weaknesses in post-education system together with fewer vocational colleges have exacerbated weaknesses in the education system</li> <li>Weaker education background making online learning difficult</li> <li>Societal increased use of virtual connections in mitigation to reduce the impact of the COVID-19 at both individual and business operations levels</li> <li>Increased youth unemployment in both urban and rural areas, ongoing inequalities, gender biasness in employment</li> <li>Reality of fake news impacting on society</li> <li>Entitlement to access local project opportunities</li> <li>Psychological impact of COVID-19 on society</li> <li>Poverty</li> </ul>	<ul style="list-style-type: none"> <li>Digitisation and an increase in innovation</li> <li>Increased accessibility and appeal of cloud-based systems</li> <li>Introduction of the more hyper scale data centres</li> <li>Advent of the fifth-Generation wireless technology</li> <li>Expansion in fibre network and data centre markets</li> <li>More consumers working remotely and most educational institutions resorting to online learning due to COVID-19</li> <li>Technological advancement resulting in increased digital technology solutions and posing the potential to reduce labour and transactional costs</li> <li>Increased risk of cyber crime</li> <li>Availability of new spectrum</li> <li>Lack of connectivity in rural areas</li> <li>Drive towards re-skilling with regards to future technologies</li> </ul>

Additional to the analysis above, the South African political environment trajectory is underpinned by the National Development Plan (NDP). The NDP encourages the country to achieve sustained levels of economic growth through to 2030. The MICT sector is not exempt from the NDP imperatives, but rather, perceives itself as an enabler for the realisation of the NDP ideals through sustained skills development initiatives. The NSDP 2030 calls for SETAs to reorient themselves towards the development of skills that are of impact and that are outcomes oriented. Complementing the NSDP outcomes are the six ERRP interventions that the SETA adopts, these become critical in the SETAs 2023/24 strategy as they mirror realistic goals for sector recovery against the effects caused by the pandemic. Moreover, other policy interventions such as; White Paper on Post Schooling Education and Training (WP-PSET), New Growth Path (NGP), Industrial Policy Action Plan (IPAP), National Integrated ICT Policy White Paper have been considered and their implications on the sector are duly outlined in the succeeding sections of this Annual Performance Plan.



## **MICT SETA Strategic Focus** *(continued)*

### **5. External Environment Analysis** *(continued)*

#### **5.2 Demand for services and other factors which informs the development of the Annual Performance Plan**

While the sector contributes positively to the GDP, the 4IR will alter the way communities live and work through a fusion of technologies. The COVID-19 pandemic accelerated the use of digital technologies and has revealed the urgency with which the sector must transform with regard to both skills demand and supply. Key technologies such as 5G and Cloud Computing have become important as many South Africans work remotely, using digital platforms such as Zoom or Microsoft Teams. With South Africa striving towards being an e-skilled economy, as outlined in the NDP Vision 2030, key change drivers that affect the MICT sector and socio-economic systems are identified below:

- **Artificial intelligence**

Artificial Intelligence (AI) has been identified as a key change driver in the MICT sector. It refers to the simulation of human intelligence in machines that are programmed to think like humans and mimic their actions. The term may also be applied to any machine that exhibits traits associated with a human mind such as learning and problem-solving. The ideal characteristic of AI is its ability to rationalise and take actions that have the best chance of achieving a specific goal (Investopedia, Artificial Intelligence (AI), 2020). Nearly half (46%) of South African companies are actively piloting AI within their organisations. Businesses are experimenting with a range of different technologies, including Chatbots, Robotic Process Automation and Advanced Analytics. AI technologies most useful to 67% of South African organisations include machine learning, smart robotics and biometrics (BusinessTech, 2019). The level of skill required by AI is advanced and needs to be financially and technically supported by the industry and government. Other examples of AI relevant to the MICT sector include virtual agents such as 'chatbots' and recommendation systems. Ultimately, South Africa still lags behind in terms of improving the quality of education, research, innovation, and infrastructure required to create an enabling environment for AI adoption (Accenture South Africa, 2019).

- **Cloud computing**

Cloud Computing has emerged as a key driver of digital transformation in South Africa. It is described as the delivery of different services through the Internet. These services include tools and applications such as data storage, servers, databases, networking, and software (Investopedia, Cloud Computing, 2019). It is a disruptive delivery model of Information Technology (IT) services which is based on a business model that is flexible and on-demand. South African organisations are consuming significant amounts of cloud services, including software as a service, platform as a service and infrastructure as a service (Gartner, 2019).

The rise of cloud computing puts pressure on skills development, more so now during the COVID-19 pandemic, as more companies are becoming dependent on cloud computing services. Individuals with the skills to design and deploy such technology are in high demand, and are often poached not only in South Africa, but by global companies. A study by the International Data Corporation (IDC) revealed that more than 90% of South African organisations are either already engaged in developing these skills or in the process of planning for the development of such skills (Nebula, 2019).



- **Big data analytics**

Big data, another 4IR change driver identified in the MICT sector, refers to the large, diverse sets of information that grow at ever-increasing rates. It encompasses the volume of information, the velocity or speed at which it is created and collected, and the variety or scope of the data points being covered. Big data often comes from multiple sources and arrives in a variety of formats (Investopedia, 2019). Properly managing 'Big data' is now an important assignment for many organisations, especially with the rapid uptake of 4IR technologies. However, many organisations are still unaware of the opportunities and insights that big data holds for them.

- **Fifth-generation wireless technology ('5G')**

The fifth-generation wireless technology (5G) has been identified as a key driver of network transformation in South Africa. It has been associated with the need for a greater and wider adoption of emerging technologies. This technology is expected to be more effective, more efficient, and as much as 100 times faster than its predecessor, 4G (Corfe, 2018). As capacity demands, driven by growing internet data traffic increases and further emphasised by the current world of remote work during the COVID-19 pandemic, 5G will significantly speed up data communication (Statista, 2020).

- **Internet of Things (IoT)**

The Internet of Things (IoT) is another 4IR change driver identified in the MICT sector. It refers to a network comprised of physical objects capable of gathering and sharing electronic information. IoT includes a wide variety of 'smart' devices, from industrial machines that transmit data about production processes, to sensors that track information about the human body (Investopedia, The Internet of Things (IoT), 2020). IoT allows for remote management or monitoring of connected devices. This information can then be supplied to an AI platform, which may be tasked with responding appropriately based on data received.

- **Skills implications of the change drivers**

The above-mentioned change drivers call for the continued development of technologies and skills. While it may be true that 4IR could invalidate jobs that place emphasis on routine or menial tasks, it also presents an opportunity for the creation and/or advancement of jobs. To this effect, South African organisations are increasingly investing in 4IR technologies. However, funding, formalised training and overall development of emerging occupations, are hampered by limited recognition of emerging 4IR occupations in the OFO such as an IoT specialist within the IoT realm, cloud architect for cloud computing and AI specialist within artificial intelligence. To this effect, the SETA is actively engaged with stakeholders such as the QCTO, training providers and industry in the development of new qualifications and improvement of existing qualifications to meet 4IR demands.

- **Future convergence technologies**

It is also very important to focus on the future and provide a forecast of technological changes that will impact on the future and assist in mapping the type of workforce we will need. It is reported that by 2030, ten powerful converging technologies will entirely transform how people think, work and live. These technologies will have an impact on the type of skills the SETA, companies, and training providers are able to invest in and develop. It will also have an impact on qualification development, creating an environment and space where both long-term degree qualifications and skills programmes are relevant and needed by the sector. These converging technologies are listed below:

## MICT SETA Strategic Focus *(continued)*

### 5. External Environment Analysis *(continued)*

#### 5.2 Demand for services and other factors which informs the development of the Annual Performance Plan *(continued)*

**Table 8: Converging technologies**

1.	<b>Artificial intelligence (AI)</b> – software algorithms that automate complex decision-making tasks to mimic human thought processes and senses. This will exponentially speed up every aspect of human and machine interaction.
2.	<b>Augmented reality (AR)</b> – is a visual or audio overlay on the physical world that uses contextualised digital information to augment the user's real-world view.
3.	<b>Virtual Reality (VR)</b> – an interface in which viewers can use special equipment to interact with a three-dimensional computer-generated simulation in realistic ways. This will transform learning and education, entertainment, medicine and more.
4.	<b>3D Printing</b> – a machine that creates three-dimensional objects based on digital models by layering or 'printing' successive layers of materials. This technology will be used to design everything from homes, replacement body parts etc.
5.	<b>Internet of Things (IoT)</b> – a network of physical objects embedded with sensors, software, network connectivity and computing capability, and be able to collect, exchange and act on data. This will minimise and simplify everyday decision making.
6.	<b>Robotics</b> – the use of machines with enhanced sensing, control and intelligence to automate, augment or assist human activities. This will decrease physical, manual and basic cognitive skill jobs and transform multiple industries.
7.	<b>Quantum Computing</b> – a new generation of technology with a type of computer 158 million times faster than the most sophisticated supercomputer. This computer will do in four minutes what it would take a traditional supercomputer 10 000 years to accomplish.
8.	<b>Gene Editing</b> – a group of technologies that give scientists the ability to change an organism's DNA by allowing genetic material to be added, removed, or altered at particular locations in the genome. This is expected to extend human life span and improve health and quality of life.
9.	<b>Materials Science</b> – the discovery and development of new materials accelerated by the Materials Genome Initiative. It allows scientists to create new elements and better products, transforming many aspects of everyday life.
10.	<b>Blockchain Technology</b> – a distributed digital ledger that uses software algorithms to record and confirm transactions with reliability and anonymity. It creates the infrastructure for web3 and transforms the internet, returning power and ownership to individuals.



### 5.3 Challenges to be addressed

There are strategic challenges and tensions between the aspirations of different stakeholders within the sector that need to be managed for the benefit of the sector. They include:

- Aligning the skills agenda to the needs of the sector and relevant policies
- Supporting innovation and promoting creativity
- Supporting skills development needs and priorities of rural communities (bridging the digital divide)
- Promoting a more local based production, solutions, and increased exports
- Paying greater attention to development and support for small businesses as potential bedrocks for employment.
- Deepening the transformation agenda within the sector

In mitigation of the aforementioned challenges, the SETA will ensure implementation of priority sector development initiatives that include:

- Recognising, planning and prioritizing occupations that are on the National List of Occupations in High Demand and linking occupations and specialisations that address the above-mentioned change drivers; namely; AI, Cloud Computing, Big Data Analytics, 5G and IoT that enable 4IR. In that way, the SETA will be fulfilling NSDP outcome 1 (identifying and increasing production of occupations in demand), and outcome 2 (linking education and the workplace). Additionally, the ERRP intervention on embedding skills planning into sectoral processes will be responded to by the SETA.
- Expanding opportunities for Work Integrated Learning, responding to NSDP outcome 4 (Increase access to, and delivery of industry and occupationally directed priority programmes and work placements), and also aligning to the ERRP intervention on increased access to programmes resulting in qualifications in priority sectors.
- Designing effective internships that serve as effective bridges into employment and collaborating with stakeholders on work-based training
- Supporting innovation and commercialisation of 4IR technologies in South Africa, further encouraging local production and increased exports.

## MICT SETA Strategic Focus *(continued)*

### 5. External Environment Analysis *(continued)*

#### 5.4 Trend analysis based on annual reports and end term reports that will inform the strategy going forward

The MICT SETA will continue to strive towards the continuous improvement of planning and implementation efforts, as well as the constant monitoring of sector-related changes and developments. The MICT SETA will continue to support the implementation of demand-led learning programmes that afford beneficiaries opportunities for sustainable growth, mobility and progression. The table below presents performance for the previous five-year period of the Annual Performance Plan (2017/18 to 2021/22).

Programme performance indicator	Audited actual performance					
	2017/18	2018/19	2019/20	2020/21	2021/22	Totals
Number of qualifying unemployed/employed learners entering Learnerships on an annual basis.	2 890	3 593	3 612	3 782	3 835	17 712
Number of qualifying unemployed/employed learners receiving Bursaries on an annual basis. [New enrolments]	706	443	421	505	417	2 492
Number of qualifying TVET/University students placed at workplaces on an annual basis.	678	1 461	878	1 192	1 361	5 570
Number of TVET/University students completed workplace experience on an annual basis.	849	434	501	576	1 219	3 579
Number of qualifying unemployed learners entering Internship programmes on an annual basis.	1 673	1 567	1 453	1 015	909	6 617
Number of qualifying unemployed learners entering Skills/Short programmes on an annual basis.	1 633	3 562	4 408	2 718	1 774	14 095
Number of unemployed/employed learners completing Learnership programmes on an annual basis.	1 056	1 596	2 548	2 630	814	8 644



Programme performance indicator	Audited actual performance					
	2017/18	2018/19	2019/20	2020/21	2021/22	Totals
Number of unemployed/employed learners completing Bursary programmes on an annual basis.	183	175	404	229	146	1 137
Number of unemployed learners completing Internship programmes on an annual basis.	573	887	1 021	812	739	4 032
Number of unemployed/employed learners completing Skills Programmes on an annual basis.	1 124	1 192	1 434	1 835	855	6 440
SETA/TVET College Partnerships established on an annual basis.	05	8	07	19	47	86
Number of Collaborative Agreements signed with Universities and Stakeholders on an annual basis	04	14	06	62	276	362
Number of qualifying Lecturers entering Development Programmes on an annual basis	156	104	107	32	90	489
Number of Lecturers completed Development Programmes on an annual basis	116	104	91	0		311
Number of Rural development programmes implemented on an annual basis	12	09	20	34	190	265

## MICT SETA Strategic Focus *(continued)*

### 5. External Environment Analysis *(continued)*

#### 5.5 Research findings

The priority actions below were unveiled through research and ensure alignment between the SSP and this Annual Performance Plan. They found expression into this Annual Performance Plan to ensure support for the eminent change and development within the sector. They set out the broad skills development agenda for the sector and are in order of priority:

**Table 9: Description of MICT SETA outcomes**

Outcome/ priority area	Description
<b>Priority 1</b> Support the sustainability and growth of SMMEs, Entrepreneurship, Cooperatives and community-based organisations.	<p>In developing interventions for SMMEs and community-based organisations, the SETA will make considerations such as: The ability of an SMME to obtain funding for skills development; whether or not it is a levy paying company; the flexibility and accessibility of programmes that recognises the difficulty that small companies have in releasing staff for long periods; the difficulties that small companies have in meeting requirements for learning programmes implementation; and the potential for established larger companies in the Sector to mentor and provide skills development incubator opportunities to smaller less well established businesses.</p> <p>Furthermore, the SETA needs to intentionally formalise partnerships with other SETAs through meaningful engagements to synchronise contrasting mind-sets and interests. This will assist in reaching common ground for both parties to work together to reach a common outcome and long-term viability for stakeholders. These partnerships are especially important now, during the COVID-19 phenomenon (the impact of which will outlast the pandemic), as SMMEs are in a more vulnerable position attempting to keep up with 4IR trends and technology to stay relevant in the current MICT Sector environment. These partnerships will play an imperative role in enabling these SMMEs to sustain their businesses.</p> <p>Through this priority, the SETA will be addressing the NSDP outcome 6, as well as the ERRP objective to focus on SMME development, training interventions focused on developing key skills relating to 4IR. This strategic priority focus will be on SMMEs and community-based organisations to allow for those active in 4IR or related fields to develop more specialised or adjacent skills. Moreover, this will help further innovation and commercialisation of 4IR technologies in South Africa, further encouraging local production and gradually increasing exports.</p>



Outcome/ priority area	Description
<b>Priority 2</b> Ensure good corporate governance and a productive workforce.	<p>The MICT SETA will ensure that the internal systems and processes that are put in place shall ensure effective corporate governance in order to establish a good corporate citizen that is accountable to its stakeholders. This will be done through ensuring elimination of fraud and corruption by putting in place effective fraud management plan strategies and policies as part of Risk Management. Further organisational performance will be measured against compliance through the establishment of a Compliance Framework and Plan that will be monitored and reported on, on a quarterly basis.</p> <p>In terms of management of organisational ethics, a rigorous Ethics Management Framework will be developed with milestones which will be measurable in terms of annual milestones that will include, establishment, implementation and effectiveness of activities undertaken and rolled out as part of the management programme. Lastly, to ensure that there is an approved Corporate Governance Framework and Operating Model that will measure the deliverables of the Board Secretariat as a support structure to the Accounting Authority, to ensure that the Board is one that competent, qualified, transparent, and accountable. This will be effected through ensuring compliance to internal policies, legislative and regulatory requirements, timeous delivery of key deliverables as per timelines that will be defined in the Corporate Governance Framework and Its Operating Model.</p>
<b>Priority 3</b> Increase and improve labour market information that accurately identifies occupations in high demand.	<p>The MICT SETA will ensure that the labour market information signalling the demand and supply of skills is thoroughly triangulated to improve the trustworthiness of data used for skills planning purposes. Such systematic and in-depth research will be achieved through collaboration with industry bodies, universities and acclaimed research institutions. Of equal importance will be the management and dissemination of research outcomes on occupations in high demand and incremental building of career guidance in partnership with industry and various learning institutions through a number of platforms, with online distribution being the main platform. The targeted audience will be unemployed learners and those already in employment seeking to progress to identified occupational shortages and skills gaps to ensure meaningful and sustainable employment.</p>
<b>Priority 4</b> Ensure increased and focused skills development for rural and marginalised communities to ensure inclusivity	<p>The MICT SETA's rural strategy, linked to NSDP outcome 8, is aimed at increasing access to occupationally directed programmes for rural and previously disadvantaged communities (including townships). The SETA strategy aims to respond to the President's Youth Employment Service, which is known as the 'YES initiative'. It aims to address the most pressing socioeconomic challenges in the country, particularly around poverty and unemployment among the youth. There are currently more males (58%) employed in the MICT Sector than females (42%). This gap is slowly closing, and the SETA will continue encouraging transformation in the sector by placing focus on providing increased funding and skills development opportunities to African and female learners.</p> <p>This priority intends to scope the skills development needs and priorities of rural communities, provide career and vocational guidance, support government in addressing e-governance issues and assist aspirant training providers to attain accreditation and deliver MICT SETA programmes. The SETA will thus collaborate with developmental organisations such as USAASA and industry in initiating and implementing focused Rural Development Projects on an annual basis.</p>



## MICT SETA Strategic Focus *(continued)*

### 5. External Environment Analysis *(continued)*

#### 5.5 Research findings *(continued)*

Outcome/ priority area	Description
<b>Priority 5</b> Increase access to and delivery of industry and occupationally directed priority programmes and work placements.	<p>The SETA will set realistic targets in collaboration with industry, ensure implementation through the allocation of discretionary grants and monitor delivery of Service Level Agreement deliverables as a way of addressing sectoral occupational shortages and skills gaps. This will prioritise the development of skills that enable 4IR occupations and specialisations such as network and systems engineering and cybersecurity specialists. One of the key strategies the SETA will employ is the expansion of opportunities for Work Integrated Learning and Internship programmes as they provide effective bridges into employment and the general world of work. In the 2021/22 financial year the SETA successfully achieved this priority with 571 as its final reach, overachieving by 37. This can be attributed to high enrolments in the financial year and the collaboration with the industry.</p> <p>Furthermore, the SETA will continue to support uptakes on short and targeted programmes focused on addressing specific and immediate skills gaps that stimulate direct employment and sustainable growth. Moreover, it will look into funding more professional qualifications as part of learnerships and skills programmes as they afford learners a greater chance of employability, such programmes include CISCO and CompTIA A+ which are linked to Technical Support and Systems Support programmes as they are in demand.</p> <p>Through this priority, the SETA will be addressing NSDP outcome 8, learning pathways need to be communicated with learners in schools, colleges and universities as well as those already employed in the Sector who wish to seek entry to occupations that present other opportunities for employment in the Sector. This will be done through the publication of the MICT SETA career guide as well as through partnerships with industry stakeholders. Online platforms and tools will be utilised. Improved access and awareness of MICT Sector programmes in previously disadvantaged areas will also be a focus for the SETA, speaking to NSDP outcomes 1 and 2, additionally, this priority will also be aligned to the ERRP Intervention 4 (Access to targeted skills programmes).</p>



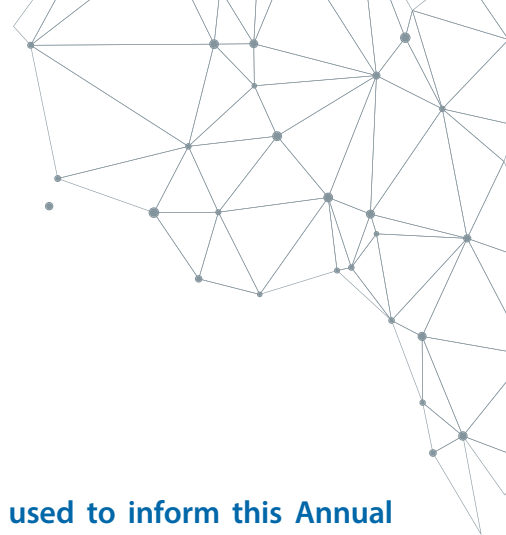
Outcome/ priority area	Description
<p><b>Priority 6</b> Improve quality of education to address programmes in high demand within the MICT Sector.</p>	<p>The focus will be on the identification and development of occupational qualifications through the QCTO for occupations in high demand in consultation with the sector. These include occupations such as software tester, network engineer and ICT security specialist. Furthermore, the SETA will put in place mechanisms to prioritise 4IR related qualifications and increase the number of accredited skills development providers offering occupational qualifications in high demand on an annual basis. In the 2021/22 financial year, the SETA has been successful in addressing this strategic priority, the focus being on the identification and development of occupational qualifications through the QCTO for occupations in high demand in consultation with the sector. Moreover, putting in place mechanisms to prioritise 4IR related qualifications, the SETA has identified 33 4IR qualifications and 10 are at the final stages of development, they are now sitting with the QCTO. Where the relevant qualifications and training courses exist, the SETA will continue to encourage enrolment in them, particularly for middle and high-level skills. Where qualifications and courses need to be developed, the SETA will work with industry, relevant academic and research institutions and other critical interest groups to map-out and develop programmes that respond to such new technological imperatives for sustainable growth of the Sector.</p>
<p><b>Priority 7</b> Enablement of the Fourth Industrial Revolution (4IR)</p>	<p>The MICT sector key skills change drivers articulated in Chapter 2 of the SSP are all centred on 4IR technologies. In response to the change brought about by 4IR, the SETA will provide support to enable the sector to play a key role in the development of technologies and products related to 4IR. This will be achieved through support by the SETA for the development of the skills required to research, develop and commercialise 4IR technologies and products. In recognising and planning for occupations that are on the National List of Occupations in High Demand and linked to 4IR, this priority action fulfils NSDP outcome 1, which calls for the identification and increase in the production of occupations in demand (examples of which include Cloud Architects in the Cloud Computing space and AI Specialists in the Artificial Intelligence space), and outcome 2, which speaks to linking education and the workplace.</p> <p>In addition, the SETA's strategy to provide support to enable the sector to play a key role in the development of technologies and products related to 4IR directly contributes to the principles and enablers of the ERRP. The ERRP highlights a number of principles including strengthening the productive capacity of the economy. This is to be achieved through key enablers such as skills development and a population that is equipped for the new normal as well as enhancement of the communications and digital economy. The ERRP states that "necessary policy interventions will be put in place in order to ensure the building digital skills, digital capacity and competitiveness". Specifically, an Artificial Intelligence Institute will be established, necessary interventions will be made in order to increase broadband connectivity and creation of the virtual classroom to 152 schools and providing learners and workers with tools and training to be able to learn and work online, amongst others. Furthermore, the impact of COVID-19 in relation to the enablement of 4IR cannot be ignored therefore, in implementing 4IR priority programmes, companies that have been, and will be impacted by COVID-19 are also accounted for in SETA strategies.</p>

## MICT SETA Strategic Focus *(continued)*

### 5. External Environment Analysis *(continued)*

#### 5.5 Research findings *(continued)*

Outcome/ priority area	Description
<b>Priority 8</b> Support the growth of the public college system through sectoral partnerships in the delivery of learning interventions.	<p>The SETA will identify TVETs with the potential for meaningful collaboration and enter into partnerships with them. These partnerships will recognise some of the TVETs as Centres of Specialisation, linking them with industry and ensuring that programmes offered are aligned to identified skills gaps for ease of learner placement on programmes such as WIL. Furthermore, the SETA will award bursaries to college lecturers and training opportunities on curriculum related studies to college managers for their continuous development and for them to be adept with industry technological advancements.</p> <p>The SETA will establish offices in some TVET colleges to ensure accessibility and reach, ensuring that those TVETs are duly accredited to offer the SETA's high-demand occupational qualifications. In all this, the development of skills that enable 4IR occupations and specialisations will be the main focus. All these initiatives will ensure gradual growth of the public college system, eventually ensuring that TVETs become fit for purpose skills development providers and institutions of choice. This priority supports both the NSD outcome 5 (Support the growth of the public college system), and also the ERRP intervention 10 on Strengthening the post-school education and training system.</p>
<b>Priority 9</b> Supported career development services within the MICT sector.	<p>MICT SETA annually does labour market and skills needs research for the development of a sector skills plan (SSP), which includes the identification of hard-to-fill vacancies and sectoral priority occupations. Based on these identified occupations, the MICT SETA researches and develops a 'scarce skills guide' in hardcopy and in digital format. This scarce skills guide describes what these identified occupations entail, and what the learning pathways are to obtain qualifications that will prepare people for entry into these occupations. The guide is distributed to young people at career exhibitions and shows and can also be accessed via the MICT SETA career portal.</p> <p>Career guidance councillors and life orientation teachers are also trained in the use of the guide to assist them with providing career guidance to young people.</p>



## 5.6 Findings of internal and external evaluations that will be used to inform this Annual Performance Plan

In achieving the NDP targets, the element of monitoring and evaluation becomes important in assessing progress made towards the achievement of targets. The MICT SETA has been consistent in conducting evaluation studies to measure its programmes' impact, the evaluated cohort was the 2019/20 cohort. The ultimate sample size recorded was 720 that gives a Confidence Interval (CI) of 2.9 with a Confidence Level (CL) of 95%. Findings from the evaluation conducted by the SETA revealed the following:

- 82% of learners, employers, and training providers believe the MICT SETA learning programmes were relevant to their needs
- In terms of NSDP Outcomes:
  - Outcome 1 – 78% of the survey respondents believe that the learning programmes were helpful in identifying and increasing the production of occupations in high demand.
  - Outcome 2 – 83% of survey respondents indicated that they recognised an improvement in the link between education and the workplace.
  - Outcome 3 – 82% of survey respondents indicated that they noticed an improvement in the level of skills in the South African workforce within the sector.
  - For these reasons, the extent to which the Programme's achievements are relevant to the NSDP outcomes is overall met.
- 66% of respondents indicated that they are currently unemployed, with only 15% in full-time employment and 17% in part-time employment.
  - 74% of learners indicated that the COVID-19 pandemic impacted their careers negatively.
- 49% of the employed learners attribute their employment to MICT SETA learning programmes. Learners have gained improved qualifications and much needed opportunities from the learning programmes as many of them came from disadvantaged backgrounds
- Nearly a quarter of learners (23%) currently employed indicate their salaries have increased by more than 50% since completing their learning programme and 49% of learners have since been promoted
- 67% of learners' qualifications match their occupations, with 13% in occupations partially related to their qualifications.
- The formal sector accounts for the most employment, with 83% of learners employed there.
- The top 6 sub-sectors where learners are employed are Media, Advertising and ICT (accounting for 41.7% of employed learners), followed by Education (10.6%), Wholesale and Retail (6.1%), Banking (5.3%), Healthcare and Welfare (4.6%), and Culture, Arts, Tourism, Hospitality and Sport (4.6%).
- Entrepreneurship stands at only 3%, indicating opportunity for more learners to be self-employed, thereby reducing the unemployment rate

## MICT SETA Strategic Focus *(continued)*

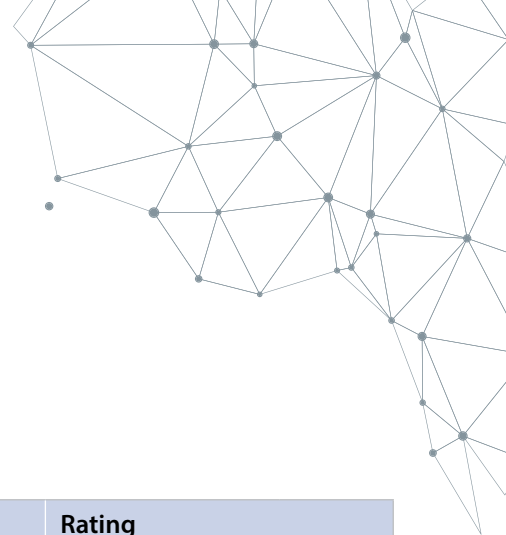
### 5. External Environment Analysis *(continued)*

#### 5.6 Findings of internal and external evaluations that will be used to inform this Annual Performance Plan *(continued)*

The evaluation study provides overall evaluation findings based on the Results Chain and DAC Criteria, it provides a detailed analysis on transformation imperatives and the relevance, efficiency, effectiveness, impact and sustainability of programmes. Below is a summary of the findings in terms of the DAC criteria:

**Table 10: Overall Evaluation Assessment Summary**

	Evaluation framework component	Evaluation framework components	Rating	
			Component	Overall
1	Relevance	The extent to which the Learning Programmes were responsive to the needs of learners, training providers, and employers	Exemplary	Met
		The extent to which the Programmes' achievements are relevant to National Skills Development Plan (NSDP) outcomes	Met	
2	Governance and Management	Planning	Met	Met
		Resource Management	Met	
		Risk Management	Met	
		Reporting	Met	
		Communications	Met	
3	Efficiency	Increase access to, and delivery of industry and occupationally directed priority programmes and work placement	Met	Met
		Increase workplace training of workers already in employment	Met	
4	Effectiveness	Outcomes (as defined by the Results Chain):		Met
		Improved qualifications for learners	Exemplary	
		Improved link between education and the workplace (NSDP Outcome 2)	Exemplary	
		Improved level of skills in the South African workforce (NSDP Outcome 3)	Exemplary	
		Identified and Increased production of occupations in high demand (NSDP Outcome 1)	Met	
		Increased employer capacity and capability	Met	



	Evaluation framework component	Evaluation framework components	Rating	
			Component	Overall
5	Impact	Impacts (as defined by the Results Chain):		Partially Met
		Increased employment	Met	
		Increased entrepreneurship	Partially Met	
		Increased earning capacity for learners	Partially Met	
		Increased career advancement for learners	Met	
		Sustained employment for learners	Partially Met	
6	Sustainability	The extent to which benefits of the MICT SETA learning programme(s) have continued beyond completion of the programmes for learners	Met	Met
		The extent to which benefits of the MICT SETA learning programme(s) have continued beyond completion of the programmes for employers	Met	
		Sustainability of employment as an impact	Partially Met	

Exemplary (80%-100%)	Met (66%-79%)	Partially Met (33%-65%)	Not Met (0%-32%)
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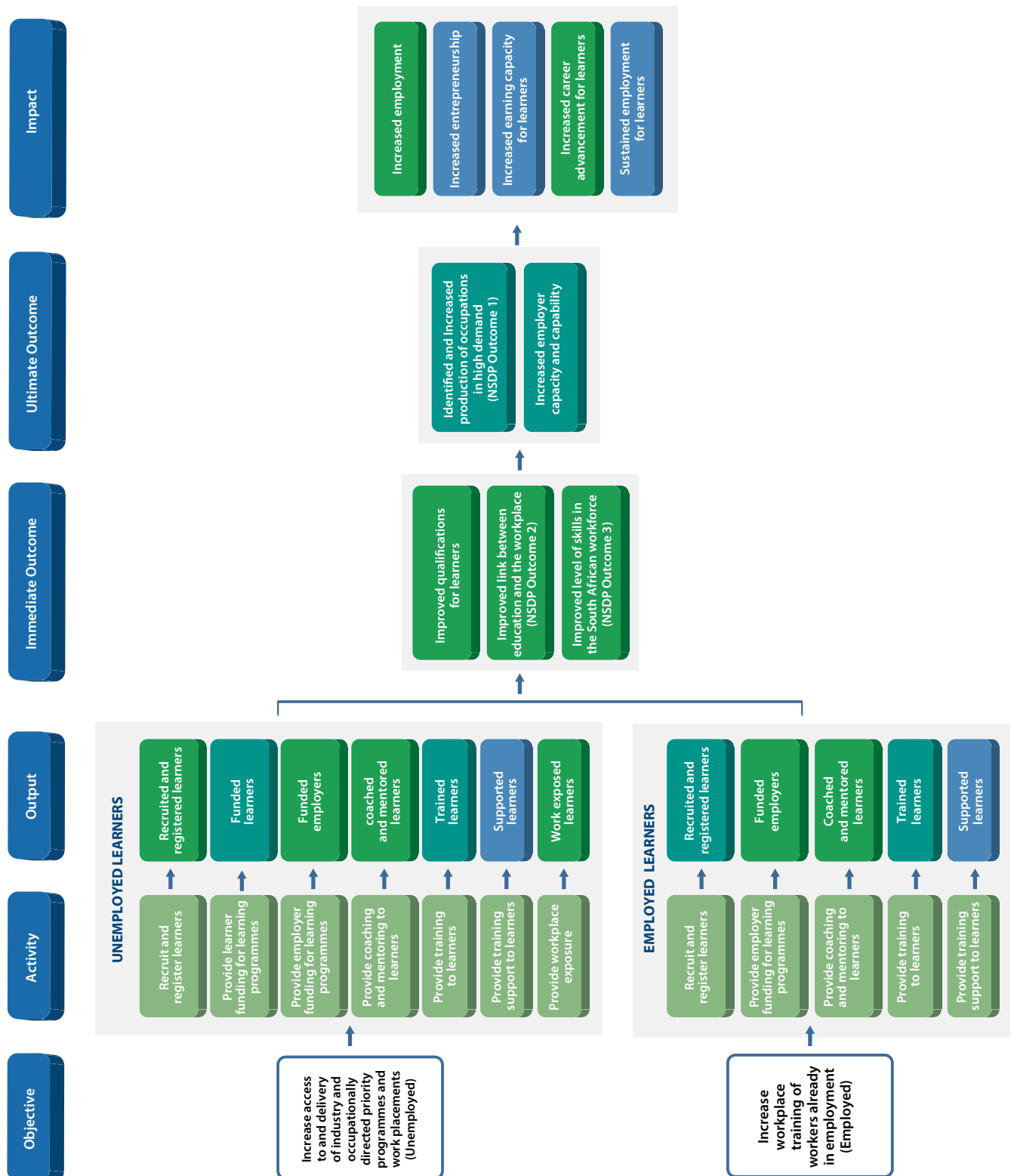
The implementation of Learning Programmes was, overall, successful. In consultations conducted, Learning Programmes received generally positive comments for their demonstrable impact on learners and the sector. In line with this, exemplary practices that were noted were the extent to which the Learning Programmes were responsive to the needs of learners, training providers, and employers, and the extent to which the learning programmes improved qualifications for learners, the link between education and the workplace (NSDP outcome 2) and the level of skills in the South African workforce (NSDP outcome 3). In addition, MICT SETA was commended by stakeholders, with one training provider commenting, "the WC [Western Cape] MICT SETA is an absolute pleasure to work with. Their follow up skills and support is magnificent". Commenting on the helpfulness of the learning programmes, one learner adds that, "I had a chance to learn further...if it wasn't for the MICT SETA learning programs I think I would [not] have more knowledge...because I don't have parents to pay my school fees or a loan to depend on nor [do I] think I would have been able to afford lunch or transport money to school".

However, there are some opportunities for improvement. While activities were generally efficient and immediate outcomes effective, these results did not translate as well into ultimate outcomes and, therefore, impact. Improvement is required with regards to meeting the NSDP Outcome 1 relating to identified and increased production of occupations in high demand. Similarly, attention must to be given to ensuring programmes contribute to increased employer capacity and capability by training skilled workers. Hence, the programmes can be seen as partially successful in terms of creating sustainable employment, increasing learners' earning capacity and increasing entrepreneurship.

The following diagram depicts the summary findings for the Evaluation. The heat-mapped version of the results chain included below indicates the extent to which components of the results chain have been delivered.

## MICT SETA Strategic Focus *(continued)*

Figure 8: Heat mapped results chain

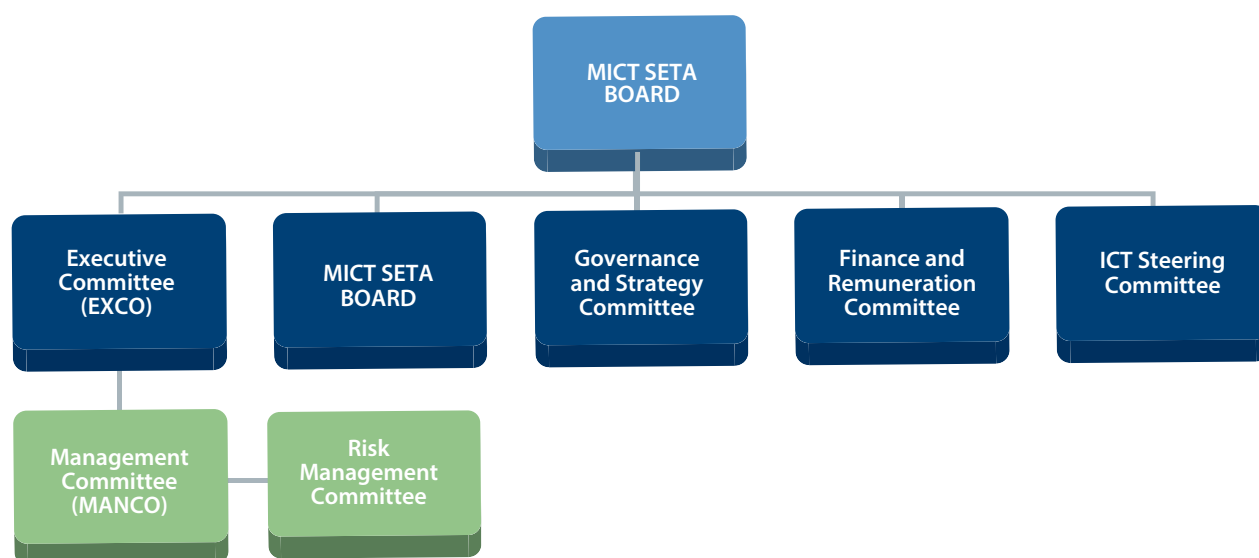


As a forward-looking strategy, the MICT SETA will continue with positive practices, propagate them through knowledge sharing sessions, and create awareness of successes to foster support and uptake. Furthermore, the SETA will keep abreast of relationships with employers and training providers and implement strong oversight and accountability measures that will attend to ineptitude. In conjunction with QCTO, the SETA will improve the consultative processes for updating or developing qualifications by accelerating the process to include interested parties.

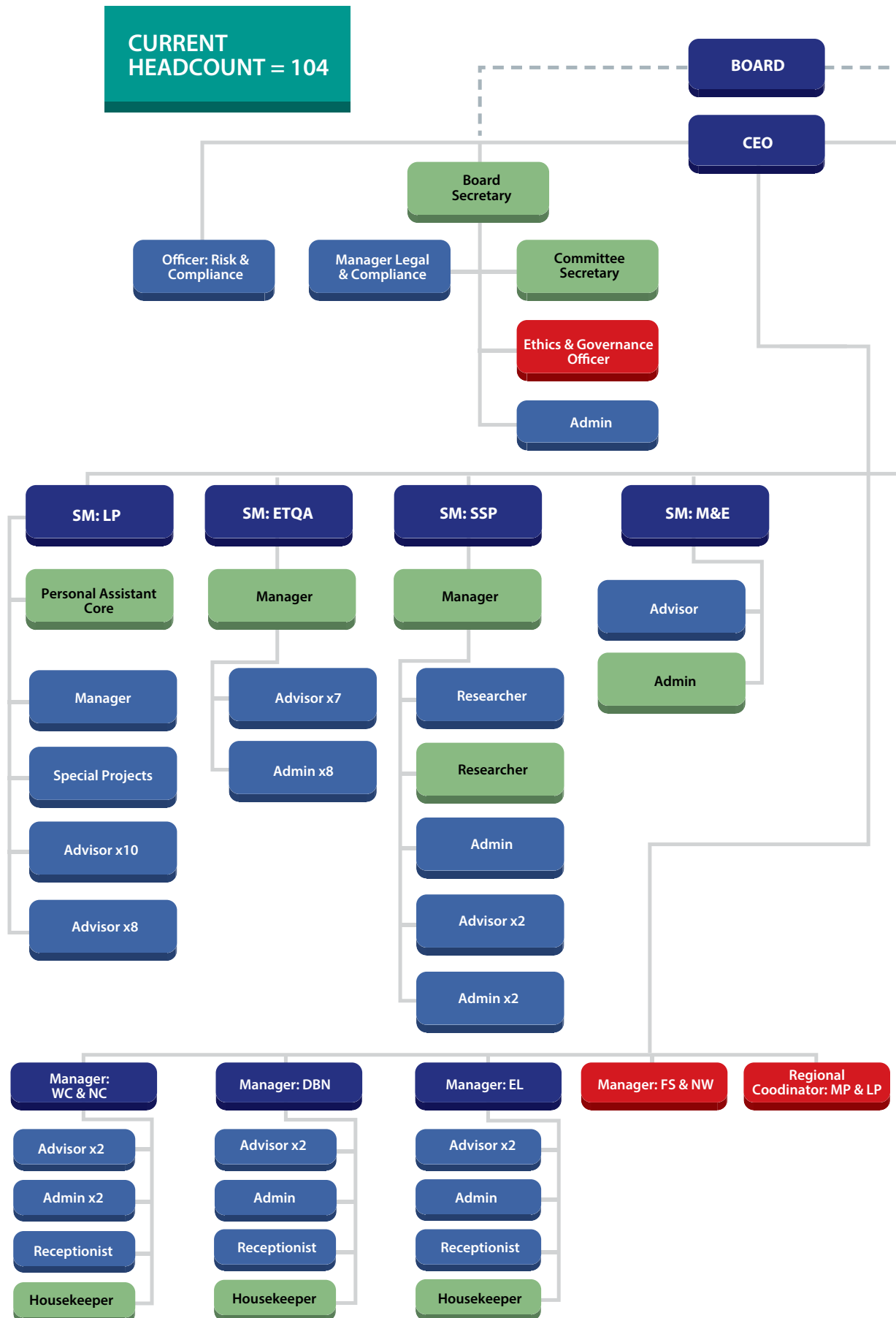
## 6. Internal Environment Analysis

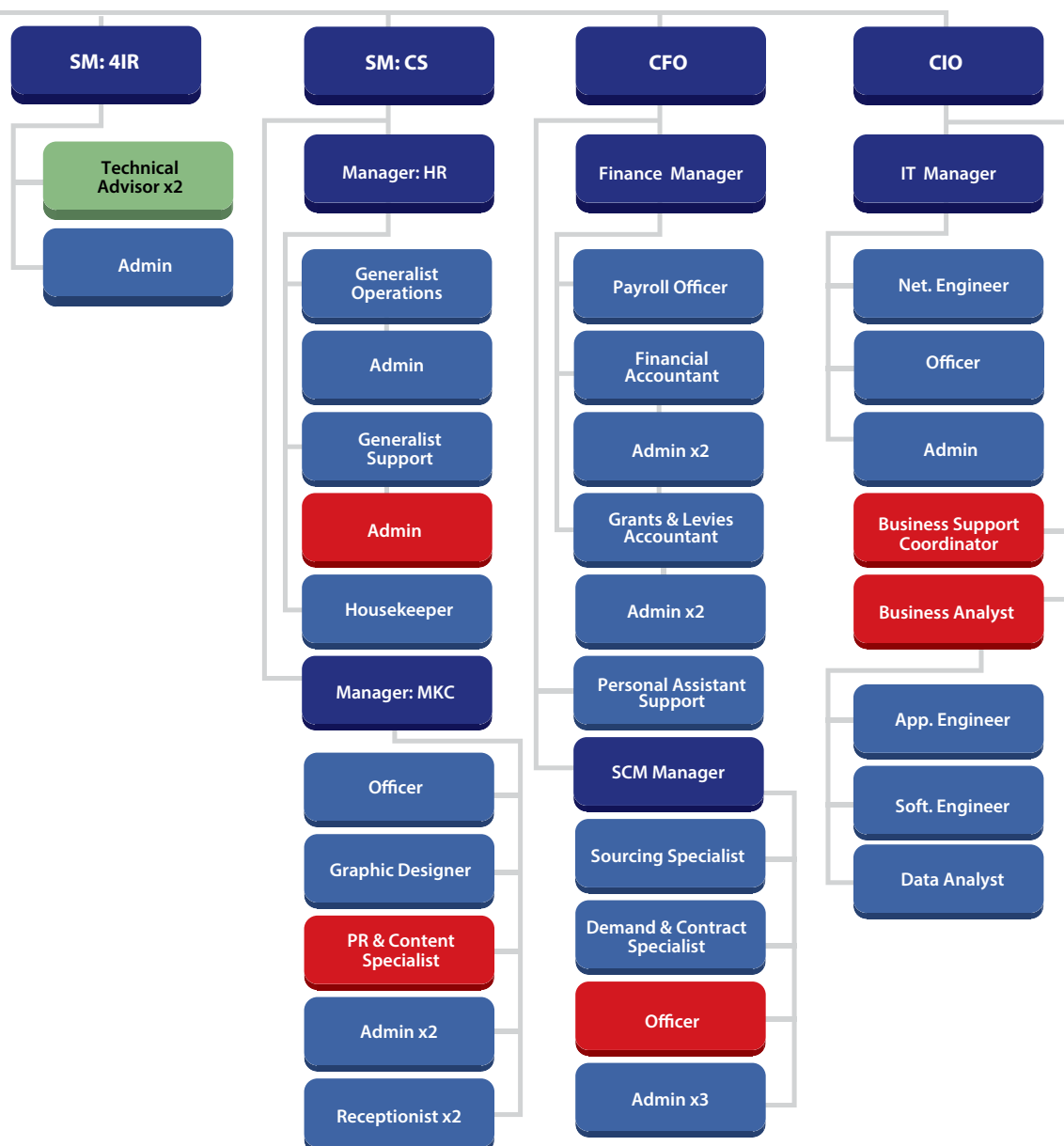
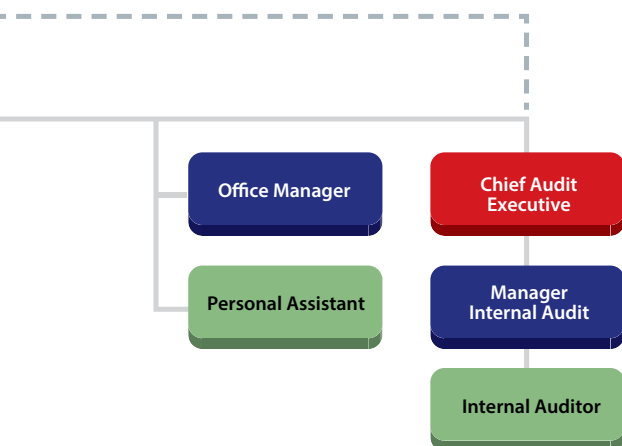
### 6.1 MICT SETA capacity to deliver on the mandate

The SETA is governed by a representative Accounting Authority and its sub-committees to provide strategic direction to the organisation. The figure below represents the MICT SETA Accounting Authority and its Sub-Committees:









## MICT SETA Strategic Focus *(continued)*

### 6. Internal Environment Analysis *(continued)*

#### 6.2 Corporate Services

The Corporate Services Division plays a key role within MICT SETA by providing support functions in the form of Human Resources and Marketing and Communications.

##### HR purpose

Deliver HR support that enables MICT SETA employees to meet all stakeholder needs as timeously as possible.

##### HR objectives

- Driving HR excellence and innovation that leads to successful outcomes and moves MICT SETA forward while leveraging on its human resources capabilities.
- Deploying recruitment and retention strategies to attract and retain qualified and diverse individuals for the organisation
- Investing in employee development and expanding on our succession management programme that reinforces the principle of growing our own;

**The MICT SETA comprises of 104 employees, the disaggregation is as follows:**

**Table 11: MICT SETA employment by function**

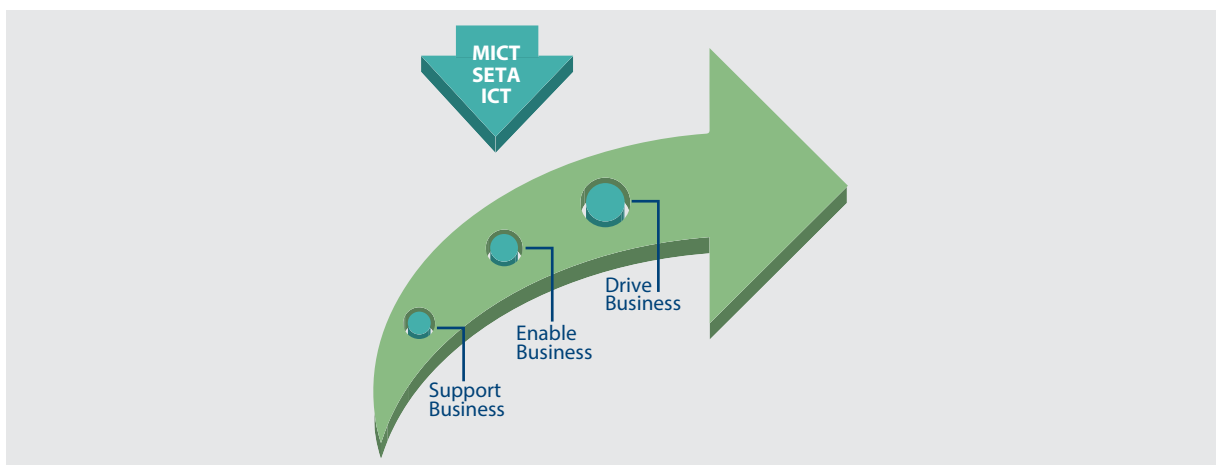
Title	Number of employees
Administrators	34
Advisors	24
CEO	1
CFO	1
CIO	1
Board Secretary	0
Committee Secretary	0
Personal Assistant	2
Senior Managers	5
Receptionist	5
Interns	0
Managers	12
Housekeepers	1
Officers	5
Data Analyst	1
Applications Engineer	1
Software Engineer	1
Network Engineer	1
Graphic Designer	1

Title	Number of employees
Accountants	2
Internal Auditor	1
Sourcing Specialist	1
Special Projects	1
Researcher	1
HR Generalist	2
<b>Total</b>	<b>104</b>

The SETA comprises three core divisions, namely: Sector Skills Planning (SSP), Learning Programmes Division (LPD) including 4IR, and Education and Training Quality Assurance (ETQA). The support divisions are Finance with SCM Business Unit, Corporate Services with Human Capital, and Marketing and Communications Business Units, Information and Communications Technology with Quality Management Systems Business Unit, Legal and Compliance and Monitoring and Evaluation. The SETA recruited and retained competent staff and implemented an effective performance management system to ensure delivery on this Annual Performance Plan and will continue doing so. Regular customer satisfaction surveys will be conducted to evaluate and ensure continuous improvement and to strengthen customer relations.

### 6.3 Information technology

The MICT SETA has embarked on a drive towards digital transformation. In its digital transformation journey, the organisation has set its medium to long-term goals to achieve digital business enablement, which seeks to transform all classes of the business. The ICT transformation journey to digitally transform the business shall evolve as depicted below.



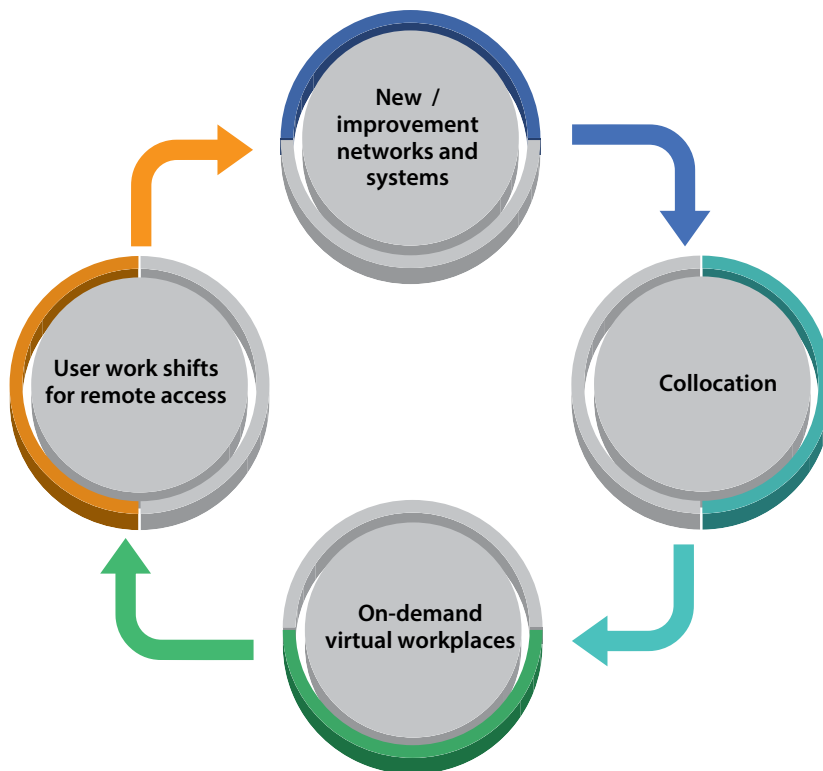
The depicted evolution journey shows how ICT is currently making an impact on driving the business. The goal is to ensure that the MICT SETA thinks digital, works digital and its stakeholders use digital in their interaction with the SETA. This is currently lagging behind as can be seen within the value chain throughout the organisation. In order to achieve maximum impact, the driver for digital transformation is geared towards the intertwined factors as depicted on the below diagram.

## MICT SETA Strategic Focus *(continued)*

### 6. Internal Environment Analysis *(continued)*

#### 6.3 Information technology *(continued)*

The 2023/24 financial year will see the MICT SETA driving the agenda of Shared Services across the DHET landscape. This programme will drive the sharing of technology resources according to, but not limited to, the established pillars of ICT standardisation/shared services. The shared services will enable platforms for the SETAs and TVET colleges to subscribe to the four elements of collaboration as projected below.



The elements of collaboration across the space will enable sharing of resources such as infrastructure, licenses, customer platforms, skills and consulting, inter alia. The implementation of shared services will be driven through the ICT Shared Services Blueprint. This sharing will further enable accelerated adoption of 4IR within the DHET portfolio with minimal costing while visibly creating maximum impact

Finally, the shift towards digital transformation and adoption of the Fourth Industrial Revolution (4IR) requires organisational culture change as inherent in managing change. Accordingly, there will be investment of training and upskilling on digital transformation, particularly for non-technology personnel. This will stimulate the demand towards digital transformation.

#### 6.4 Budget for Annual Performance Plan

- **Financial resources**

The SETA obtains its revenue from levies collected from its constituent employers as legislated through the Skills Development Levies (SDL) Act. Levies received are allocated in accordance with Mandatory Grants, Discretionary Grants and Administration costs as per the requirements of the SDL Act and the new SETA Grant Regulations that were published in December 2012, with the intention to regulate the proportion of funds available for skills



development and to encourage training on National Qualifications Framework (NQF) registered qualifications. Other revenue sources include interest and penalties received on late SDL payments and interest on investments. The SETA is committed to service delivery improvement through a targeted customer response program on its website wherein seamless communication between SETA and its stakeholders is enabled. The budget summary is as follows:

- Budget and Programmes Reconciliation**

#### **Programme 1: Administration**

Programme 1 provides the support function for the SETA. It is also responsible for the compliance with the regulatory framework that the SETA operates under. The budget is allocated from the 10.5% administration portion of the total SETA budget. The budget for Programme 1 is R114 million that will assist the SETA in achieving the strategic goals set in the annual performance plan, in terms of digitizing current manual processes, maintaining effective internal controls and retaining current staff compliment.

<b>Programme 1: Administration</b>				
	<b>Budget 2023/24</b>		<b>2024/25</b>	<b>2025/26</b>
	<b>Discretionary</b>	<b>Administration</b>		
<b>Sub-programmes</b>	<b>R '000</b>	<b>R '000</b>	<b>R '000</b>	<b>R '000</b>
Finance and supply chain management	0.00	33 516	35 191	36 951
Corporate governance	0.00	25 062	26 315	27 631
Information technology	0.00	25 833	27 124	28 480
Monitoring and evaluation	0.00	3 271	3 434	3 606
Governance	0.00	25 992	27 291	28 656
<b>Total</b>	<b>0</b>	<b>113 673</b>	<b>119 357</b>	<b>125 325</b>

#### **Programme 2: Sector skills planning**

Programme 2 is responsible for conducting research and developing a credible Sector Skills Plan. Review and approval of Work Skills Plans and Annual Training Reports. The budget allocated to achieve the aforementioned is R 229 million for employers to implement the Work Skills Plan as well as R7.8 million for research and other admin related costs in order to achieve the targets set for the Sector Skills Plan.

<b>Programme 2: Sector skills planning</b>				
	<b>Budget 2023/24</b>		<b>2024/25</b>	<b>2025/26</b>
	<b>Discretionary</b>	<b>Administration</b>		
<b>Sub-programmes</b>	<b>R '000</b>	<b>R '000</b>	<b>R '000</b>	<b>R '000</b>
Sector skills planning	0.00	229 390	240 859	252 902
SSP admin	0.00	7 761	8 149	8 556
<b>Total</b>	<b>0</b>	<b>237 150</b>	<b>249 008</b>	<b>261 458</b>

## MICT SETA Strategic Focus *(continued)*

### 6. Internal Environment Analysis *(continued)*

#### 6.4 Budget for Annual Performance Plan *(continued)*

- **Budget and Programmes Reconciliation** *(continued)*

##### **Programme 3: Learning Programmes**

Programme 3 facilitates the implementation of learning programmes as well as 4IR initiatives. It addresses the key priorities as identified in the SSP these priorities include amongst others:

- SMME and Cooperative Development, focus on youth unemployment, address hard-to-fill vacancies and “critical skills”, training of people with disabilities, trade union capacity building and partnerships with stakeholders.
- The budget depicted in the table below is allocated to achieve these strategic targets is R503.8 million for pivotal programmes and 126.0 million for non-pivotal programmes. The admin related project cost is R51.1 million.

Programme 3: Learning programmes and projects				
Sub-programmes	Budget 2023/24		2024/25	2025/26
	Discretionary	Administration		
	R '000	R '000	R '000	
Implementation of learning programmes through PIVOTAL programmes	503 854	0	529 046	555 499
Implementation of learning programmes through NON-PIVOTAL programmes	125 963	0	132 262	138 875
Implementation of learning programmes through special projects	R0	0	0	0
75% project administration	51 066	0	53 620	56 301
Total	680 883	0	714 928	750 674

##### **Programme 4: Education Training and Quality Assurance**

ETQA is responsible for accreditation and quality assurance. Accrediting training providers for qualifications and skills programmes. Registering assessors and moderators to undertake assessment for specified qualifications. The budget allocated to achieve the set targets is R 20.2 million, for qualification development, certification as well as other admin related costs.

Programme 4: ETQA				
Sub-programmes	Budget 2023/24		2024/25	2025/26
	Discretionary	Administration		
	R '000	R '000	R '000	
ETQA	0	20 248	21 260	22 323
Total	0	20 248	21 260	22 323

## 2023/24 BUDGET SUMMARY – Level 1

Description		2022/23 Approved budget	2022/23 Proposed revised budget	2023/24 Proposed budget
<b>Total revenue</b>		<b>1 008 914 855</b>	<b>1 068 578 373</b>	<b>1 101 955 232</b>
Levy income		994 172 855	1 028 077 573	1 079 481 452
– Administration income	10.50%	130 485 187	134 935 182	141 681 941
– Mandatory income	20.00%	248 543 214	257 019 393	269 870 363
– Discretionary income	49.50%	615 144 454	636 122 999	667 929 149
Interest and penalties		–	10 000 000	–
Other income – UIF project		–	9 097 200	–
Investment/interest income		14 742 000	21 403 600	22 473 780
<b>Total expenditure</b>		<b>1 008 914 855</b>	<b>1 068 578 373</b>	<b>1 101 955 232</b>
Administration costs		130 485 187	134 935 182	141 681 941
Mandatory grants		211 261 732	218 466 484	229 389 809
Discretionary grants		517 167 936	656 079 508	680 883 483
<b>Other expenses</b>			<b>9 097 200</b>	
Special/strategic projects (4IR IT Capital costs + qualification development)		150 000 000	50 000 000	50 000 000
Surplus (deficit)		–	–	–



## MICT SETA Strategic Focus *(continued)*

### 6. Internal Environment Analysis *(continued)*

#### 6.4 Budget for Annual Performance Plan *(continued)*

##### 2023/24 BUDGET SUMMARY – Level 2

		2021/22 Financial year	2022/23 Financial year	2022/23 Financial year	2023/24 Financial year	
		Audited actuals	Approved budget	Proposed revised budget	Proposed budget	
Description	%	R	R	R	R	
<b>Revenue</b>		<b>1 025 312 000</b>	<b>1 008 914 853</b>	<b>1 068 578 373</b>	<b>1 101 955 232</b>	
Levy income		974 182 000	994 172 853	1 028 077 573	1 079 481 452	
• Administration income	10.50	127 346 000	130 485 187	134 935 182	141 681 941	
• Mandatory income	20.00	246 266 000	248 543 213	257 019 393	269 870 363	
• Discretionary income	49.50	600 570 000	615 144 453	636 122 999	667 929 149	
<b>Other income – interest on bank and investments</b>		<b>51 130 000</b>	<b>14 742 000</b>	<b>40 500 800</b>	<b>22 473 780</b>	
Interest and penalties		13 946 000	–	10 000 000	–	
Other income – UIF		22 406 000	–	9 097 200	–	
Investment/interest income		14 778 000	14 742 000	21 403 600	22 473 780	
<b>Expenditure</b>		<b>758 389 000</b>	<b>1 008 914 853</b>	<b>1 068 578 373</b>	<b>1 101 955 232</b>	
<b>Administration costs</b>		<b>122 461 000</b>	<b>130 485 187</b>	<b>134 935 182</b>	<b>141 681 941</b>	
Audit fees		3 314 000	3 997 007	3 997 007	4 236 827	
Board and subcommittees expenses		7 087 000	6 506 533	7 506 533	6 896 925	



	Variance: Approved Budget vs 2021/22 Financial Year Actuals		Variance: Proposed budget vs 2022/23 Financial year approved budget		Commentary on Proposed Budget vs 2021/22 Financial Year Actuals (AC) vs 2022/23 Approved Budget (BU)
	R	%	R	%	
	<b>(16 397 147)</b>	<b>(2%)</b>	<b>93 040 379</b>	<b>8</b>	
	19 990 853	2%	85 308 599	8	AC: Proposed budget based on normal operations in a slow growing economy. BU: Adjusted for inflation.
	3 139 187	2%	11 196 754	8	
	2 277 213	1%	21 327 150	8	
	14 574 453	2%	52 784 696	8	
	<b>(36 388 000)</b>	<b>(247%)</b>	<b>7 731 780</b>	<b>34</b>	<b>AC: Decrease due to UIF project revenue not accounted for as the project is coming to an end in 2021/22 and intereseta transfers not budgeted for.</b> <b>BU: Increase due to increase in cash reserves and increase in the repo rate.</b>
	(13 946 000)	(100%)	–	0	AC: SDL interest and penalties not budgeted for due to uncertainty of income. BU: On Par
	(22 406 000)	(100%)	–	0	AC/BU: Decrease due to UIF project revenue not accounted for as the project is coming to an end in 2021/22 and intereseta transfers not budgeted for.
	(36 000)	0%	7 731 780	34	AC: is on par against the budget. BU: Adjusted for resumption of normal operations and increase repo rates.
	<b>250 525 853</b>	<b>25%</b>	<b>93 040 379</b>	<b>8</b>	
	<b>8 024 187</b>	<b>6%</b>	<b>11 196 754</b>	<b>8</b>	<b>Based on 10.5% allocation.</b>
	683 007	17%	239 820	6	AC: AC affected by pandemic, period where audit was halted and external audit strategy adjusted, that was normalise in the approved BU. BU: adjusted for inflation.
	(580 467)	(9%)	390 392	6	AC: Prior year included additional special meetings. BU: Proposed BU include renewal of Board portal system and increased in training costs.

## MICT SETA Strategic Focus *(continued)*

### 6. Internal Environment Analysis *(continued)*

#### 6.4 Budget for Annual Performance Plan *(continued)*

##### 2023/24 BUDGET SUMMARY – Level 2

		2021/22 Financial year	2022/23 Financial year	2022/23 Financial year	2023/24 Financial year	
		Audited actuals	Approved budget	Proposed revised budget	Proposed budget	
Description	%	R	R	R	R	
Building expenses		6 729 000	9 746 935	9 746 935	10 331 751	
Communication costs (office)		530 000	648 270	648 270	687 166	
Depreciation/amortisation		6 104 000	8 149 021	8 149 021	8 637 962	
Information technology expenses		10 939 000	7 175 700	7 175 700	15 114 963	
Legal, investigations and consulting fees		1 334 000	1 287 800	2 787 800	3 000 000	
Marketing costs		2 916 000	2 500 000	2 500 000	5 450 000	
Other costs		9 932 000	3 318 650	3 318 650	2 931 247	
QCTO and qualification development		7 113 000	7 204 000	7 204 000	6 507 600	
Repairs and maintenance		457 000	787 500	787 500	787 500	



	Variance: Approved Budget vs 2021/22 Financial Year Actuals		Variance: Proposed budget vs 2022/23 Financial year approved budget		Commentary on Proposed Budget vs 2021/22 Financial Year Actuals (AC) vs 2022/23 Approved Budget (BU)
	R	%	R	%	
	3 017 935	31%	584 816	6	AC: Proposed budget adjusted the renewal of the three regional offices contracts that is expected to come at an increased costs. Electricity costs were factored in at an increase of an average of 20% per annum. BU: adjusted for inflation
	118 270	18%	38 896	6	AC: Covid-19 impact resulting in less telephone costs due to virtual meetings and usage of MS Teams. BU: Adjusted for inflation
	2 045 021	25%	488 941	6	AC/BU: System development was concluded towards the end of 2022 and part of 2023, whilst it is budgeted for in full in 2023/24.
	(3 763 300)	(52%)	7 939 263	53	AC: ICT other costs are included in the Digital strategy. BU: ICT digital strategy contracts, included as normal running costs.
	(46 200)	(4%)	1 712 200	57	AC: Normal operation expected. BU: Legal costs relating to SCM contracts and normal operations.
	(416 000)	(17%)	2 950 000	54	AC: More marketing happened in actuals due post Covid-19, BU expected to normalise. BU: More Marketing activities planned for the budget period.
	(6 613 350)	(199%)	(387 403)	(13)	Other costs include Provision for bad debt, stationery, printing, interest paid, operating leases and COVID-19 expenses. COVID-19 expenses expected to decrease due to increase in vaccination drive by government.
	91 000	1%	(696 400)	(11)	AC: only include QCTO expense whilst BU incorporated qualification development. BU: Proposed budget based on the approved QCTO calculation from DHET. Qualification development budgeted for as part of DG admin costs.
	330 500	42%	–	0	Proposed budget include any additional adhoc repairs and maintenance costs.

## MICT SETA Strategic Focus *(continued)*

### 6. Internal Environment Analysis *(continued)*

#### 6.4 Budget for Annual Performance Plan *(continued)*

##### 2023/24 BUDGET SUMMARY – Level 2

		2021/22 Financial year	2022/23 Financial year	2022/23 Financial year	2023/24 Financial year	
		Audited actuals	Approved budget	Proposed revised budget	Proposed budget	
Description	%	R	R	R	R	
Research		1 213 000	1 000 000	1 000 000	2 000 000	
Staff costs		63 132 000	78 063 771	80 013 766	74 000 000	
Travel costs		1 661 000	100 000	100 000	1 100 000	
<b>Mandatory grants</b>		<b>175 978 000</b>	<b>211 261 731</b>	<b>218 466 484</b>	<b>229 389 809</b>	
<b>Discretionary grants</b>		<b>437 677 000</b>	<b>517 167 936</b>	<b>656 079 508</b>	<b>680 883 483</b>	
<b>UIF expense</b>		<b>22 273 000</b>	<b>–</b>	<b>9 097 200</b>	<b>–</b>	
<b>Special/strategic projects (4IR IT Capital)</b>		<b>–</b>	<b>150 000 000</b>	<b>50 000 000</b>	<b>50 000 000</b>	
<b>Surplus/(deficit)</b>		<b>266 923 000</b>	<b>–</b>	<b>–</b>	<b>–</b>	



	Variance: Approved Budget vs 2021/22 Financial Year Actuals		Variance: Proposed budget vs 2022/23 Financial year approved budget		Commentary on Proposed Budget vs 2021/22 Financial Year Actuals (AC) vs 2022/23 Approved Budget (BU)
	R	%	R	%	
	(213 000)	(21%)	1 000 000	50	Comprises of impact or tracer study project on MICT SETA's rural strategy planned to be undertaken in the budget. Additional research expected for projects included in the MICT SETA Research Agenda.
	14 931 771	19%	(4 063 771)	(5)	AC: '2022/23 financial year: fully capacitated, including increased headcount approved during 2021/22 financial year: position were vacant.  BU: '2023/24 financial year: Salary bill adjusted for 7% inflation plus 3% performance related increases plus effect of Job grading. Learning programme salary bill is included as part of DG admin costs.
	(1 561 000)	(1561%)	1 000 000	91	AC/BU: Major travel costs relating to Learning Programme division, therefore it is covered under (7.5%).Discretionary Grants admin budget.  BU: Proposed budget include international travel in the office of the CEO and ETQA local travel.
	<b>35 283 731</b>	<b>17%</b>	<b>18 128 077</b>	<b>8</b>	<b>Based on 20% allocation, with a 85% payout rate.</b>
	<b>79 490 936</b>	<b>15%</b>	<b>163 715 547</b>	<b>24</b>	<b>AC/BU: Based on 49.5% allocation adjusted for special projects plus other income swept to DG as per SDLA BU: Based on 49.5% including Discretionary Grant admin cost of 7.5%</b>
	(22 273 000)	(100%)	–	0	MICT SETA/UIF learnership contract expected to come to an end in 2022 financial year.
	150 000 000	100%	(100 000 000)	(200)	4IR IT capital costs + 4IR Qualification Development included as part of approved Digital Strategy projects.  BU: Most costs expected to be normal ICT costs.
	(266 923 000)	–	–		

## MICT SETA Strategic Focus *(continued)*

### 6. Internal Environment Analysis *(continued)*

#### 6.5 MICT SETA status on compliance with B-BBEE Act

The fundamental objectives of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003) are: To promote the achievement of the constitutional right to equality, increase broad-based and effective participation of black people in the economy and promote a higher growth rate, increased employment and more equitable income distribution; and establish a national policy on broad-based black economic empowerment to promote the economic unity of the nation, protect the common market, and promote equal opportunity and equal access to government services.

#### 6.6 MICT SETA Status on compliance with women and people living with disabilities legislative requirements

The MICT SETA is committed to employing, empowering and developing competent people with the necessary skills to sustain the services to the local communities. The SETA sees this happening through skills development initiatives that are aimed at creating a racially and culturally diverse team. The SETA is devoted to equality in the workplace and will promote equal opportunity and fair treatment through the elimination of unfair discrimination, equitable representation of Black people, women and people living with disabilities at all levels in the workplace.

The SETA prioritises the inclusion of women, youth and people living with disabilities in their targets that involves people. The table below demonstrates the MICT SETA commitment to Employment Equity in terms of race and gender.



### Key demographics of the MICT SETA

The total staff headcount is hundred (118) which is made up as follows:

**Table 12: Demographics of MICT SETA staff**

Occupational levels	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	Male	Female	
Top management	1	0	0	0	0	0	0	0	0	0	1
Senior management	2	0	0	0	4	1	0	0	0	0	7
Professionally qualified and experienced specialists and mid-management	5	0	0	0	7	1	0	0	0	0	13
Skilled technical and academically qualified workers, junior management, supervisors, foremen, and superintendents	13	0	0	0	29	0	1	0	0	0	43
Semi-skilled and discretionary decision making	20	0	0	0	18	1	0	0	0	0	39
Unskilled and defined decision making	0	0	0	0	1	0	0	0	0	0	1
<b>TOTAL PERMANENT</b>	<b>41</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>59</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>104</b>
Temporary employees	4	1	0	0	9	0	0	0	0	0	14
<b>GRAND TOTAL</b>	<b>45</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>68</b>	<b>3</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>118</b>

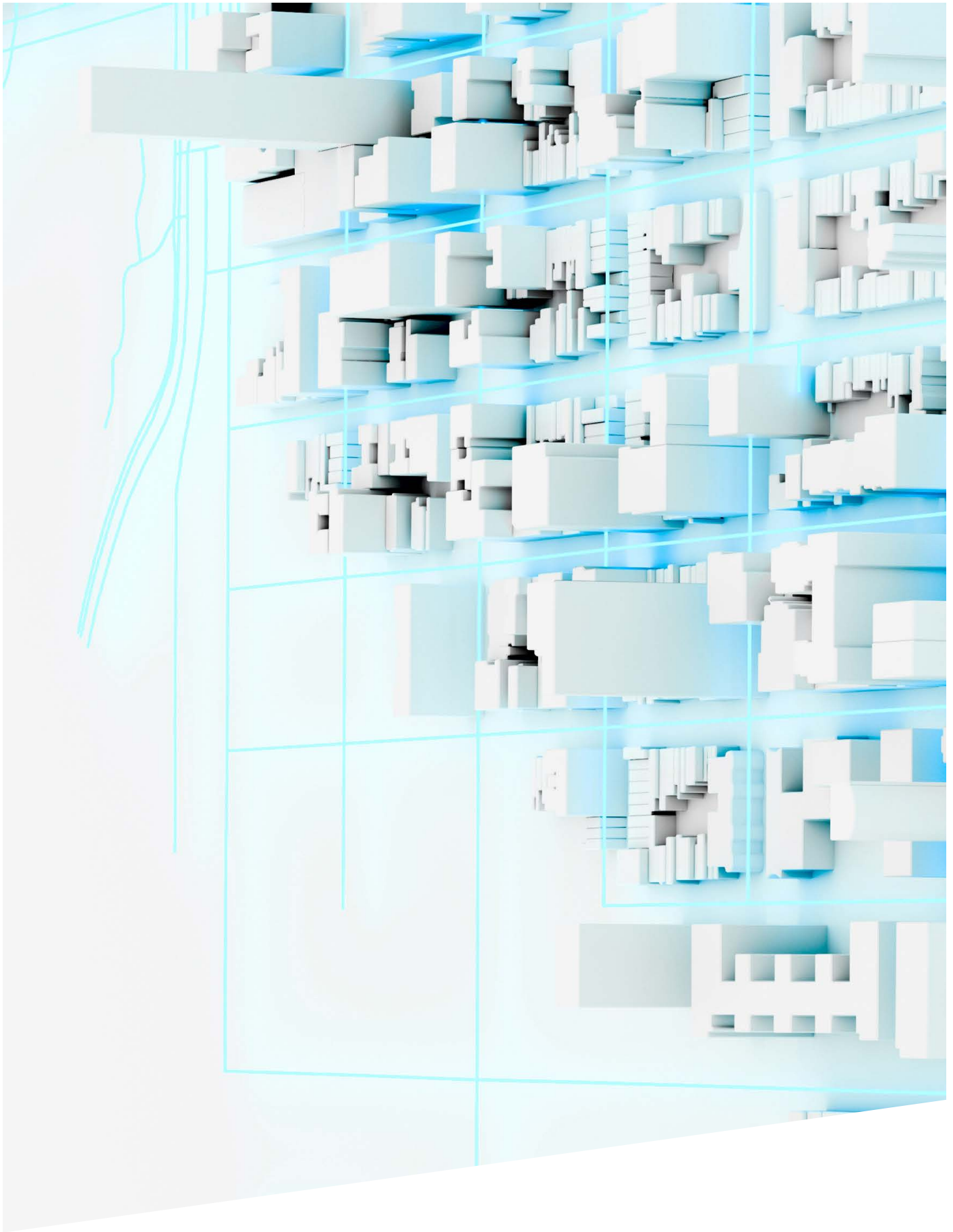
A: African

C: Coloured

I: Indian

W: White





## **PART C: MEASURING MICT SETA PERFORMANCE**

## Measuring MICT SETA Performance

### 7. Institutional Programme Performance Information

#### 7.1 Programme 1: Administration

##### 7.1.1 Purpose

The primary goal for MICT SETA's Administration Programme is to ensure that a fully functional and operational MICT SETA realises its strategic outcomes through the provision of a well-established and functional administration processes and systems. The Administration Programme continuously plays the supportive and facilitative role to the other core functions or operational divisions within MICT SETA. The Administration Programme comprises of the following:

##### 7.1.2 Finance; Human Resources; Information Communication Technology; Marketing and Communications; Internal Audit; Risk and Compliance; Monitoring and Evaluation; Governance

##### 7.1.3 Programme 1 Resource Considerations

###### Human resources:

Level	Positions	Occupancy	Vacancy rate
Paterson E	4	2	2
Paterson D	14	13	1
Paterson C	19	18	1
Paterson B	13	12	0
Paterson A	1	1	2

###### Financial

###### Expenditure trends

Year	Total expenditure for the entity (R'000)	Personnel expenditure (R'000)	Personnel exp. as a % of total exp.	No. of employees	Average personnel cost per employee (R'000)
2017/18	417 007	19 207	49%	38	505
2018/19	183 439	10 909	6%	16	642
2019/20	334 086	17 641	5%	35	504
2020/21	386 546	25 743	7%	38	677
2021/22	214 491	37 661	18%	43	876

## Measuring MICT SETA Performance *(continued)*

### 7. Institutional Programme Performance Information *(continued)*

#### 7.1 Programme 1: Administration *(continued)*

##### 7.1.3 Programme 1 Resource Considerations *(continued)*

Programme 1 provides support function for the SETA and is responsible for the SETA's compliance with the regulatory framework that the SETA operates within. The budget is allocated from the 10.5% administration portion of the total SETA budget.

- Finance and Supply Chain Management: Responsible for sound financial management as well effective internal controls.
- Corporate Governance: Providing support to Human Resource and Marketing functions to fulfil their legislative mandate.
- Information Technology: Responsible for driving digital innovation mandate that has been set in the medium to long term goals.
- Governance: Setting of the strategic objective and control environment framework in which the SETA operates.

Programme 1: Administration				
	Budget 2023/24		2024/25	2025/26
	Discretionary	Administration		
Sub-programmes	R '000	R '000	R '000	R '000
Corporate governance	0.00	25 062	26 315	27 631
Information technology	0.00	25 833	27 124	28 480
Monitoring and evaluation	0.00	3 271	3 434	3 606
Governance	0.00	25 992	27 291	28 656
<b>Total</b>	<b>0</b>	<b>113 673</b>	<b>119 357</b>	<b>125 325</b>

The budget for Programme 1 is R114 million to assist the SETA in achieving the strategic goals set in the annual performance plan in terms of digitalising current manual processes, maintaining effective internal controls and retaining current staff compliment.

#### 7.1.4 Sub-programme – Finance

##### 7.1.4.1 Purpose

The Office of the CFO, including Supply Chain Management aims to ensure that the MICT SETA has sound financial management systems and processes.

#### 7.1.4.2 Sub programme: Finance: Targets and indicators

Outcome	Outputs	Output Indicators	Annual targets					
			Audited/actual performance		Estimated performance	Estimated performance MTEF period		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
<b>Outcome 1:</b> Good corporate governance and a productive workforce	Attainment of an unqualified audit opinion from the Auditor General (AG)	1. Obtain an unqualified audit opinion	Unqualified opinion	Clean audit	Unqualified opinion	Unqualified audit report	Unqualified audit opinion	Unqualified audit opinion

#### 7.1.4.3 Finance: Quarterly targets

Output Indicators	Annual Target			
Obtain an unqualified audit opinion	Q1	Q2	Q3	Q4
1. Unqualified audit report	-	Unqualified audit opinion obtained	-	-

#### 7.1.4.4 Explanation of planned performance over the medium-term period

The MICT SETA's vision and mission is to be a global leader in the development and delivery of revolutionary ICT skills, thus, providing opportunities for MICT stakeholders to participate in the economy; through meaningful employment and entrepreneurship, building a capable, creative and innovative developmental state. The MICT SETA outputs will ultimately lead to the organisation to be an agile organisation that supports the development of cutting-edge creative and innovative skills for sustainable employment and entrepreneurship by 2026.

For the SETA to have a sound financial and supply chain management systems and processes, will depend entirely on having accurate and timeous management accounts and improving alignment to operational and procurement plans. The oversight of this will be through an increased role from the SETAs Accounting Authority and Subcommittees, paying close attention to financial performance, and oversight on corrupt and fraudulent activities. Annual audit opinions will serve as the basis on which the MICT SETA reflects where improvements need to be made.

## Measuring MICT SETA Performance *(continued)*

### 7. Institutional Programme Performance Information *(continued)*

#### 7.1 Programme 1: Administration *(continued)*

##### 7.1.4 Sub-programme – Finance *(continued)*

##### 7.1.4.5 Updated key risks and mitigation

Output	Key risks	Risk mitigation
<b>Attainment of an unqualified audit opinion</b>	Qualified audit opinion resulting in loss of reputation and credibility	Centralised and electronic record keeping Independent reviews of the financial and APR data to ensure completeness, accuracy, valuation, presentation and disclosure Controls to ensure completeness, accuracy and valuation

##### 7.1.5 Sub-programme: Corporate services

##### 7.1.5.1 Purpose

Corporate Services ensures provision of high-level systems and services for all administrative functions within the organisation, including human resources and marketing and communications.

## 7.1.5.2 Sub-sub programme: Marketing

## 1.3.1.1 Marketing: Targets and indicators

Outcome	Outputs	Output Indicators	Annual targets					
			Audited/actual Performance		Estimated performance	MTEF period		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25 2025/26
<b>Outcome 9:</b> Supported career development services within the MICT sector.	Career development services provided on occupations in high demand in the MICT sector	Number of career opportunity guides distributed	6 502	3 000	3 000	3 500	4 000	4 500 4 500
		Number of Career Development events attended.	50	50	50	52	55	60 60
	Number of capacity building workshops on career development services hosted.	Number of Career development practitioners trained	New target	New target	30	30	40	60 80
		Number of capacity building workshops on career development services hosted.	New target	New target	02	02	02	04 06

## Measuring MICT SETA Performance *(continued)*

### 7. Institutional Programme Performance Information *(continued)*

#### 7.1 Programme 1: Administration *(continued)*

##### 7.1.5 Sub-programme: Corporate services *(continued)*

###### Marketing: Quarterly targets

Indicator	Annual target	Q1	Q2	Q3	Q4
Number of career opportunities guides with labour market information distributed	4 000	0	1 333	1 333	1 334
Number of Career Development events on occupations in high demand attended	55	15	15	13	12
Number of Career Development practitioners trained	40	20	20	–	–
Number of capacity building workshops on Career Development Services hosted	2	1	1	–	–

###### Explanation of planned performance over the medium-term period

Marketing is a support function with a focus on career guidance. The sectoral priority occupations list that is produced as a result of the labour market analysis as set out in the sector skills plan, is used as basis to develop a career guide that informs prospective students and career guidance specialist about careers in the MICT sector.

###### Programme resource considerations (budget as per the ENE and/or the EPRE)

###### Updated key risks and mitigation

Output	Key risk	Risk mitigation
<b>Number of career opportunities guides with labour market information distributed</b>	<ul style="list-style-type: none"> <li>• Career opportunities guide with inaccurate list of occupational shortages and skills gaps developed and distributed.</li> <li>• Inadequate Career guidance initiatives</li> </ul>	<ul style="list-style-type: none"> <li>• Triangulation approach and multiple data sources consulted.</li> <li>• Career guidance schedule in place and observed</li> </ul>
<b>Number of Career Development events on occupations in high demand attended</b>	<ul style="list-style-type: none"> <li>• Inadequate attendance of Strategic Career Events</li> <li>• Inadequate marketing and communication strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Career guidance schedule in place and observed</li> <li>• Use of multiple marketing and communications platforms</li> </ul>
<b>Number of Career development practitioners trained</b>	<ul style="list-style-type: none"> <li>• Inadequate participation by career development practitioners</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation of an approved marketing and communication strategy.</li> </ul>
<b>Number of capacity building workshops on career development services hosted</b>	<ul style="list-style-type: none"> <li>• Inadequate attendance of Strategic Career Events</li> <li>• Inadequate marketing and communication strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Career guidance schedule in place and observed</li> <li>• Use of multiple marketing and communications platforms</li> </ul>

## 7.1.5.3 Sub-sub programme: Human resources

## Human resources: Targets and indicators

Outcome	Outputs	Output Indicators	Annual targets							
			Audited/Actual Performance				Estimated performance		MTEF Period	
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	
<b>Outcome 2:</b> Good corporate governance and a productive workforce	Maintain an acceptable percentage of vacancy rate	Percentage vacancy rate maintained	New target	New target	New target	15%	15%	15%	15%	
	Implemented training plan	Percentage implementation of approved training plan	New target	New target	New target	New target	70%	75%	80%	

## Human Resources: Quarterly targets

Output Indicators	Annual target				Q1	Q2	Q3	Q4
Percentage vacancy rate maintained		15%			–	–	–	15%
Percentage implementation of approved training plan		70%						70%



## Measuring MICT SETA Performance *(continued)*

### 7. Institutional Programme Performance Information *(continued)*

#### 7.1 Programme 1: Administration *(continued)*

##### 7.1.5 Sub-programme: Corporate services *(continued)*

###### Explanation of planned performance over the medium-term period

Producing a competitive workforce with the capacity to implement organisational mandate will be influenced by the MICT SETAs strategic decision to recruit talented and capable individuals. The attainment of targets will be empirical evidence that the SETA is heading in the right direction of achieving an agile organisation through efficient processes.

###### Programme resource considerations (budget as per the ENE and/or the EPRE)

###### Updated key risks and mitigation

Output	Key risk	Risk mitigation
<b>Maintain an acceptable percentage of vacancy rate</b>	<ul style="list-style-type: none"> <li>• Lack of continuity and organisational memory</li> </ul>	<ul style="list-style-type: none"> <li>• Effective retention and succession planning mechanism</li> </ul>
<b>Signed performance agreements</b>	<ul style="list-style-type: none"> <li>• Non delivery or attainment of departmental and organisational strategic objectives</li> </ul>	<ul style="list-style-type: none"> <li>• Regular managing and evaluation of employee performance</li> </ul>
<b>Implemented training plan</b>	<ul style="list-style-type: none"> <li>• Poor organisational performance</li> <li>• Low staff morale</li> </ul>	<ul style="list-style-type: none"> <li>• Approved training plan implemented</li> </ul>

##### 7.1.6 Sub-programme: Information technology

###### 7.1.6.1 Purpose

The focus of ICT is on business process re-engineering and digitisation.

7.1.6.2 Sub-Programme: Information Technology: Targets and indicators

Outcome	Outputs	Output Indicators	Annual targets					
			Audited/actual performance			Estimated performance		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Outcome 2 Good corporate governance and a productive workforce	Digitised organisation in line with the Business Processes Automation Plan	Number of businesses processes digitised	New target	New target	New target	8	10	10

7.1.6.3 Sub-Programme: Information Technology: Targets and indicators: Quarterly targets

Output Indicators	Annual target				Q1	Q2	Q3	Q4
Number of business processes digitised				10	2	2	3	3

7.1.6.4 Explanation of planned performance over the medium-term period

The MICT SETA outputs will ultimately lead to the organisation to be an agile organisation that supports the development of cutting-edge creative and innovative skills for sustainable employment and entrepreneurship by 2026. Systems and processes that support the achievement of outputs need to allow for efficiency and effectiveness. A main contributor to this is a digitised environment.



## Measuring MICT SETA Performance *(continued)*

### 7. Institutional Programme Performance Information *(continued)*

#### 7.1 Programme 1: Administration *(continued)*

##### 7.1.6 Sub-programme: Information technology *(continued)*

##### 7.1.6.5 Updated key risks and mitigation

Output	Key risk	Risk mitigation
Number of business processes and digitised in line with the Business Processes Automation Plan	Limited customer platforms due to inadequate integrated and automated/digitised processes	<ul style="list-style-type: none"> <li>• Implement Business Process Re-engineering project</li> <li>• Support, maintain and enhance Sage ERP system</li> <li>• Implement MIS/DSS Dashboard with different kinds of heat maps</li> <li>• Implement GIS system</li> <li>• Implement, support and maintain new Learner Management System (LMS)</li> <li>• Implement e-learning system</li> <li>• Implement workflow system with Electronic Document Management System (EDMS) to digitise the File Plan</li> <li>• Adoption of cloud technologies</li> <li>• Implementation of ICT Service Continuity Plan (ICTSCP)/ Disaster Recovery Plan (DRP)</li> </ul>
	ICT failure (including inadequate ICT systems)	<ul style="list-style-type: none"> <li>• Improved ICT governance</li> <li>• Positioning for a digitised organisation</li> <li>• Improved cyber security systems</li> <li>• Improved ICT service continuity practices</li> </ul>

##### 7.1.7 Sub-programme: Monitoring and evaluation

##### 7.1.7.1 Purpose

Monitoring and Evaluation oversees the overall performance of the SETA and reporting thereof.

### 7.1.7.2 Sub-programme: Monitoring and Evaluation: Targets and indicators

Outcome	Outputs	Output Indicators	Annual targets						
			Audited/actual performance		Estimated performance	MTEF period			
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Outcome 2:</b> Good corporate governance and a productive workforce.	Monitoring reports submitted	Number of monitoring reports submitted	New target	New target	New target	New target	8	8	8
<b>Outcome 3:</b> Improved labour market information that accurately identifies occupations in high demand.	Evaluation studies conducted.	Number of evaluation studies conducted.	1	1	1	1	1	1	1

### 7.1.7.3 M&E Targets and quarterly targets

Output Indicators	Annual target	Q1	Q2	Q3	Q4
Number of monitoring reports submitted.	8	2	2	2	2
Number of evaluation studies conducted	1	–	–	–	1

### 7.1.7.4 Explanation of planned performance over the medium-term period

Outputs are as a result of a development intervention, and the MICT SETA recognises that any development intervention should contribute to the achievement of outcomes, and ultimately of impact. To evaluate the extent to which SETA interventions contribute to the achievement of targets, outputs and eventual impacts, continuous monitoring of the achievement of targets, and regular evaluation of the achievement of outcomes/impacts are needed. This sub-programmes fulfil that role.

## Measuring MICT SETA Performance *(continued)*

### 7. Institutional Programme Performance Information *(continued)*

#### 7.1 Programme 1: Administration *(continued)*

##### 7.1.7 Sub-programme: Monitoring and Evaluation *(continued)*

##### 7.1.7.5 Updated key risks and mitigation

Output	Key risk	Risk mitigation
<b>Monitoring reports submitted</b>	<ul style="list-style-type: none"> <li>• Lack of clear Business Process and non-compliance with applicable legislation.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop, Review and Digitise business processes.</li> <li>• Implementation of organisational-wide performance monitoring and evaluation framework</li> </ul>
<b>Evaluation studies conducted.</b>	<ul style="list-style-type: none"> <li>• Inaccurate data and evaluation information, resulting in inaccurate impact study analysis.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop and maintain data monitoring framework that tests relevance of information.</li> <li>• Appropriate research design for impact evaluations</li> </ul>

##### 7.1.8 Sub-programme: Governance

##### 7.1.8.1 Purpose

This programme aims to ensure effective leadership, strategic management and administrative support to the MICT SETA. This will be achieved through continuous refinement of organisational strategy and structure in line with appropriate legislation and best practice.

7.1.8.2 Sub-programme: Governance: Targets and indicators

Outcome	Outputs	Output Indicators	Annual targets					
			Audited/actual performance		Estimated performance	MTEF period		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
Outcome 2 Good corporate governance and a productive workforce.	Maintain effective and sound corporate governance	Number of approved governance charter reports submitted	New target	New target	New target	New target	4	4

7.1.8.3 Sub-programme: Governance: Quarterly targets

Output Indicators	Annual target	Q1	Q2	Q3	Q4
Number of approved governance charter reports submitted	4	1	1	1	1

7.1.8.4 Explanation of planned performance over the medium-term period

The King Report on Corporate Governance in South Africa 2009 (King III Report) recommends that every board should have a charter setting out its responsibilities. DHET published a SETA Governance Charter in 2016. This charter specifies that the Board Secretary must ensure that all Board decisions and resolutions all properly recorded to track and monitor their implementation, and follow through as resolved in meetings.



## Measuring MICT SETA Performance *(continued)*

### 7. Institutional Programme Performance Information *(continued)*

#### 7.1 Programme 1: Administration *(continued)*

##### 7.1.8 Sub-programme: Governance *(continued)*

##### 7.1.8.5 Updated key risks and mitigation

Output	Key risk	Risk mitigation
<b>Governance charter reports submitted</b>	<ul style="list-style-type: none"> <li>• Poor governance in that the Board could interfere in operations</li> <li>• Risk of litigation with dire financial consequences</li> <li>• Inadequate management of the Policy Register</li> <li>• Delays in decision-making or decisions based on inadequate information</li> </ul>	<ul style="list-style-type: none"> <li>• 2023/24 Compliance Calendar in place</li> <li>• Board Charter; Committee ToRs and Annual Calendar in place</li> <li>• Policy Register in place and policies reviewed regularly</li> <li>• Annual Governance Calendar and electronic meeting schedules in place</li> </ul>

##### 7.1.9 Sub-programme: Internal audit

##### 7.1.9.1 Purpose

The internal audit function assists management in monitoring the design and proper functioning of internal control policies and procedures. In this capacity, internal auditors themselves function as an additional level of control and so help to improve the government's overall control environment.

7.1.9.2 Sub-programme: Internal audit: Targets and indicators

Outcome	Outputs	Output Indicators	Annual targets						
			Audited/actual performance			Estimated performance	MTEF period		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Outcome 2 Good corporate governance and a productive workforce	Implementation of internal audit plan	Percentage implementation of internal audit plan	New target	New target	New target	New target	100%	100%	100%

7.1.9.3 Sub-programme: Internal audit: quarterly targets

Output Indicators	Annual target	Q1	Q2	Q3	Q4
Percentage implementation of internal audit plan	100%	–	–	–	100%

7.1.9.4 Explanation of planned performance over the medium-term period

Additionally, Governance plays an overall oversight role and ensures effective management of revenue, expenditure, assets, liabilities and attainment of the SETA mandate.





## Measuring MICT SETA Performance *(continued)*

### 7. Institutional Programme Performance Information *(continued)*

#### 7.1 Programme 1: Administration *(continued)*

##### 7.1.9 Sub-programme: Internal audit *(continued)*

##### 7.1.9.5 Updated key risks and mitigation

Output	Key risk	Risk mitigation
<b>Implementation of internal audit plan</b>	<ul style="list-style-type: none"> <li>Non-adherence to the timelines and deliverables, as stipulated in the internal audit plan, resulting in non-compliance.</li> </ul>	<ul style="list-style-type: none"> <li>Monitor and track implementation of internal audit activities in line with the internal audit plan.</li> </ul>

##### 7.1.10 Risk and compliance

##### 7.1.10.1 Purpose

Compliance with established rules and regulations helps protect organisations from a variety of organisational risks, while risk management helps protect organisations from risks that could lead to non-compliance – a risk, itself. This function facilitates compliance and assists with risk management.

7.1.10.2 Risk and compliance: Targets and indicators

Outcome	Outputs	Output Indicators	Annual targets						
			Audited/actual performance		Estimated performance	MTEF period			
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Outcome 2</b> Good corporate governance and a productive workforce	Implemented risk management plan	Percentage implementation of the risk management plan	New target	New target	New target	New target	100%	100%	100%

Risk and compliance: quarterly targets

Output Indicators	Annual target	Q1	Q2	Q3	Q4
Percentage implementation of the risk management plan	100%	–	–	–	100%

7.1.10.3 Explanation of planned performance over the medium-term period

The Risk and Compliance Unit contributes to the SP and APP by ensuring the following:

- Risks which could negatively impact the achievement of the MICT SETA objectives/targets are identified, assessed and mitigated
- Support the development of institutional actions so as to increase the likelihood of reaching expected results
- Putting measures in place to ensure the MICT SETA's compliance to applicable laws and regulations
- Ensure that business continuity strategies are in place to assist with the MICT SETA's preparedness and resilience towards disasters, major disruptions and/or emergencies.

## Measuring MICT SETA Performance *(continued)*

### 7. Institutional Programme Performance Information *(continued)*

#### 7.1 Programme 1: Administration *(continued)*

##### 7.1.10 Risk and compliance *(continued)*

##### 7.1.10.4 Updated key risks and mitigation

Output	Key risk	Risk mitigation
<b>Implemented risk management plan</b>	<ul style="list-style-type: none"> <li>Non-adherence activities, as stipulated in risk management plan, resulting in non-compliance and risks not mitigated.</li> </ul>	<ul style="list-style-type: none"> <li>Monitor and track implementation of implementation of activities in line with the risk management plan.</li> </ul>

#### 7.2 Programme 2: Sector Skills Planning (SSP)

##### 7.2.1 Purpose

This programme aims to conduct research and develop a credible Sector Skills Plan that reflects an accurate (triangulated) list of scarce and critical skills, serving as the basis for the SETA's Strategic Plan.

##### Description

The primary goal of Programme 2 is Sector Skills Planning, that is:

- Conducting Research
- Developing, updating, and disseminating the Sector Skills Plan
- Administering the Workplace Skills Plans and Annual Training Reports processes
- Administering the Mandatory Grants processes
- Conducting capacity building for SDFs through skills development workshops

## 7.2.2 SSP indicators and targets

			Output Indicators	Annual targets								
				Audited/actual performance			Estimated performance	MTEF period				
				2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26		
Outcome	Outputs											
<b>Outcome 3:</b> Improved labour market information that accurately identifies occupations in high demand	An approved sector skills plan identifying occupations in high demand	Percentage of WSP and ATR applications evaluated	New target	New target	New target	New target	100% WSPs/ ATRs evaluated	100% WSPs/ ATRs evaluated	100% WSPs/ ATRs evaluated	100% WSPs/ ATRs evaluated	100% WSPs/ ATRs evaluated	
<b>Outcome 3:</b> Improved labour market information that accurately identifies occupations in high demand.		Accounting Authority (AA) approved Sector Skills Plan submitted to DHET	1	1	1	1	1	1	1	1	1	

## 7.2.3 SSP quarterly Targets

Output Indicators	Annual target	Q1	Q2	Q3	Q4
15. Percentage of WSPs/ATRs evaluated	100% evaluated	–	100% evaluated	–	–
16. Approved Sector Skills Plan submitted to DHET	1	–	1	–	–

## Measuring MICT SETA Performance *(continued)*

### 7. Institutional Programme Performance Information *(continued)*

#### 7.2 Programme 2: Sector Skills Planning (SSP) *(continued)*

##### 7.2.4 Explanation of planned performance over the medium-term period

For the SETA to continuously produce a reliable scarce and critical skills list, the process depends on the submission of WSPs and ATRs which depicts the sector's identified skills needs and planned training. The WSP/ATRs are the main data sources for sector planning and implementation of learning interventions.

##### 7.2.5 Programme resource considerations (budget as per the ENE and/or the EPRE.

###### Human resources

Level	Positions	Occupancy	Vacancy rate
Paterson E	—	—	—
Paterson D	1	1	-
Paterson C	4	3	1
Paterson B	2	2	—
Paterson A	—	—	—

###### Expenditure trends

Year	Total expenditure for the entity (R'000)	Personnel expenditure (R'000)	Personnel exp. as a % of total exp.	No. of employees	Average personnel cost per employee (R'000)
2017/18	54 869	2214	6%	38	505
2018/19	52953	2726	5%	5	545
2019/20	57 272	3555	6%	6	592
2020/21	46 385	3 077	7%	5	615
2021/22	29 929	3 559	12%	6	593



### Programme budget

The budget allocated to achieve the aforementioned is R229 million for employers to implement the Work Skills Plan as well as R7.8 million for research and other admin related costs in order to achieve the targets set for the Sector Skills Plan.

<b>Pogamme 2: Sector skills planning</b>				
	<b>Budget 2023/24</b>		<b>2024/25</b>	<b>2025/26</b>
	<b>Discretionary</b>	<b>Administration</b>		
<b>Sub-programmes</b>	<b>R '000</b>	<b>R '000</b>	<b>R '000</b>	<b>R '000</b>
Sector skills planning	0	229 390	240 859	252 902
SSP admin	0	7 761	8 149	8 556
<b>Total</b>	<b>0</b>	<b>237 150</b>	<b>249 008</b>	<b>261 458</b>

### 7.2.6 Updated key risks and mitigation

<b>Output</b>	<b>Key risks</b>	<b>Risk mitigation</b>
<b>An approved Sector Skills Plan submitted to DHET</b>	Inaccurate WSP data submitted resulting in inaccurate occupational shortages and skills gaps reported.	Continuous engagement and capacity building
	Inaccurate list of occupational shortages and skills gaps resulting in the funding of irrelevant programmes.	Triangulation approach and multiple data usage. Improved research capacity Utilise funded beneficiary research expertise
	Irrelevant SSP that is not reflective of sector skills needs.	
	Inaccurate data resulting in inaccurate impact study analysis.	Develop and maintain data monitoring framework that tests relevance of information against the set template.

## Measuring MICT SETA Performance *(continued)*

### 7. Institutional Programme Performance Information *(continued)*

#### 7.3 Programme 3: Learning programmes

##### 7.3.1 Sub-programme 3.1: Learning programmes implementation

###### 7.3.1.1 Purpose

To implement and monitor learning programmes in the Media, Advertising, and ICT sub-sectors. The plan to achieve the objectives and goals in this programme will be to implement the following learning programme interventions that will be rolled out in both urban and rural areas in partnership with constituent employers, and with focus on 4IR strategy as far as possible.

- Learnerships
- Internships
- Skills Programmes
- Short programmes
- Bursaries
- Work Integrated Learning

###### Brief description

The Learning Programmes Implementation with 4IR focus will ensure:

- Easy access to respective learning programmes
- Increased access to employment opportunities
- Support for career pathing and self-development of beneficiaries
- Development of current employees
- Entrance and conduit into the MICT industries for unemployed learners.
- Learning programmes: Targets and indicators

## 7.3.1.2 Learning programmes: Targets and indicators

Outcomes	Outputs	Output Indicators	Annual targets					
			Audited/actual performance		Estimated performance	MTEF period		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25 2025/26
<b>Outcome 5:</b> Increase access to, and delivery of industry and occupationally directed priority programmes and work placements	Unemployed learners entering and completing learning programmes	Number of unemployed learners entering learning programmes	New target	New target	New target	7 813	9 285	10 142 11 156
		Number of unemployed learners completing learning programmes	New target	New target	New target	3 851	4 080	4 200 4 308
	Employed learners entering and completing learning programmes	Number of employed learners entering learning programmes	New target	New target	New target	316	345	362 385
		Number of employed learners completing learning programmes	New target	New target	New target	232	180	197 215
	Employed learners entering and completing Recognition of Prior Learning (RPL) programmes	Number of employed learners entering Recognition of Prior Learning (RPL) programmes	New target	New target	50	60	100	120 150
		Number of employed learners completing Recognition of Prior Learning (RPL) programmes	New target	New target	38	40	42	45 50
<b>Outcome 4:</b> Increase focused skills development interventions for rural and marginalised communities to ensure inclusivity	Rural skills development Projects approved and implemented	Number of rural skills development projects approved and implemented	20	34	109	40	50	60 70



## 7. Institutional Programme Performance Information *(continued)*

### 7.3 Programme 3: Learning programmes *(continued)*

#### 7.3.1 Sub-programme 3.1: Learning programmes implementation *(continued)*

##### 7.3.1.2 Learning programmes: Targets and indicators *(continued)*

Outcomes	Outputs	Output Indicators	Annual targets					
			Audited/actual performance		Estimated performance	MTEF period		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
<b>Outcome 1:</b> Support the sustainability and growth of SMMEs, Entrepreneurship, Cooperatives, and community-based organisations	Small Enterprises (SEs) supported through skills development interventions	Number of Small Enterprises (SEs) supported through skills development interventions	New target	142	100	150	200	250
	Skills development interventions supported for members/employees of Co-operatives, NGO's, CBOs, and entrepreneurship programmes	Number of Co- operatives supported through the subsidizing of skills development interventions for their members.	New target	394	100	150	150	200
		Number of people trained on entrepreneurship programmes	New target	New target	30	100	150	200
		Number of NGOs/NPOs/ CBOs supported through the subsidising of skills development interventions for their employees.	New target	New target	250	150	150	250

Outcomes	Outputs	Output Indicators	Annual targets					
			Audited/actual performance		Estimated performance	MTEF period		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25 2025/26
<b>Outcome 5:</b> Increase access to, and delivery of industry and occupationally directed priority programmes and work placements	Worker-initiated skills development (federations/trade unions) interventions supported	Number of worker-initiated skills development (federations/trade unions) interventions supported	New target	New target	207	200	200	250 300
<b>Outcome 8:</b> Improve the Quality of education to address programmes in high demand within the MICT Sector.	Centres of Specialisation supported	Number of Centres of Specialisation supported	New target	New target	6	10	14	15 20

## Measuring MICT SETA Performance *(continued)*

Outcomes	Outputs	Output Indicators	Annual targets					
			Audited/actual performance		Estimated performance	MTEF period		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25 2025/26
<b>Outcome 7:</b> Enable the growth of the public college system through sectoral partnerships in the delivery of learning interventions.	TVET Lecturers exposed to industry through skills programmes	Number of TVET Lecturers exposed to industry through skills programmes	104	120	66	70	75	90 100
	TVET Lecturers awarded bursaries	Number of TVET Lecturers awarded bursaries	New target	New target	0	60	65	80 90
	CET college Lecturers exposed to skills development programmes	Number of CET college lecturers exposed to skills development programmes	New target	New target	0	70	75	90 100
	Partnerships with TVET colleges established	Number of partnerships with TVET colleges established	New target	New target	New target	76	14	14 14
	CET partnerships established	Number of CET partnerships established	New target	10	9	12	16	20 24
	Partnerships established with universities	Number of partnerships established with universities	1	26	15	20	25	25 25

### 7. Institutional Programme Performance Information *(continued)*

#### 7.3 Programme 3: Learning programmes *(continued)*

##### 7.3.1 Sub-programme 3.1: Learning programmes implementation *(continued)*

##### 7.3.1.2 Learning programmes: Targets and indicators *(continued)*

## 7.3.1.3 Sub programme 3.2: Learning programmes: Quartely targets

Output indicators	Annual target	Q1	Q2	Q3	Q4
Number of unemployed learners entering learning programmes	9 285	2 305	2 305	2 305	2 730
Number of unemployed learners completing learning programmes	4 080	0	792	1 599	1 689
Number of employed learners entering learning programmes	345	75	63	90	117
Number of employed learners completing learning programmes	180	10	40	60	70
Number of learners entering Recognition of Prior Learning (RPL) programmes	100	20	30	25	25
Number of learners completing Recognition of Prior Learning (RPL) programmes	42	0	0	21	21
Number of Rural skills development Projects approved and implemented	50	0	25	25	
Number of Small Enterprises (SEs) supported through skills development interventions	200	50	50	50	50
Number of Co-operatives supported through the subsidizing of skills development interventions for their members.	150	0	53	53	44
Number of people trained on entrepreneurship programmes	150	37	37	37	39
Number of skills development interventions supported for members/ employees of NGOs/NPOs/CBOs	150	25	25	50	50
Number of worker-initiated skills development (federations/trade unions) interventions supported	200	80	80	20	20
Number of Centres of Specialisation supported	14	3	3	3	5
Number of TVET Lecturers exposed to the industry through skills programmes	75	15	15	20	25
Number of TVET Lecturers awarded bursaries	75	15	15	25	20
Number of CET college Lecturers exposed to skills development programmes	75	15	15	15	30
Number of partnerships with TVET colleges established	14	3	3	3	5
Number of CET partnerships established	16	2	2	6	6
Number of partnerships established with universities	25	5	5	5	10

## Measuring MICT SETA Performance *(continued)*

### 7. Institutional Programme Performance Information *(continued)*

#### 7.3 Programme 3: Learning programmes *(continued)*

##### 7.3.1 Sub-programme 3.1: Learning programmes implementation *(continued)*

##### 7.3.1.4 Explanation of planned performance over the medium-term period

Targets set by the MICT SETA cannot be seen as being separate from each other, each one depends on the other for achievement. This means that for the MICT SETA to invest or fund learning programmes it needs a triangulated scarce and critical skills list, in which funding can be focused on what is really needed by the sector. The interventions will be through respective learnerships, internships, skills programmes, bursaries, short programmes, etc. the aim is to increase delivery on programmes that link education and the workplace and the aforementioned can create a path for that to happen. For this planning period, implementation targets by the SETA will be in line with both the NSDP and the ERRP outcomes and interventions that find expression in the MICT SETA scope.

##### 7.3.1.5 Programme resource considerations (budget as per the ENE and/or the EPRE.

###### Human resources

Level	Positions	Occupancy	Vacancy rate
Paterson E	—	—	—
Paterson D	2	2	-
Paterson C	10	1	1
Paterson B	8	8	—
Paterson A	—	—	—

###### Expenditure trends

Year	Total expenditure for the entity (R'000)	Personnel expenditure (R'000)	Personnel exp. as a % of total exp.	No. of employees	Average personnel cost per employee (R'000)
2017/18	208 504	8 689	25%	19	457
2018/19	410 040	17012	4%	40	425
2019/20	439 085	18 295	4%	46	398
2020/21	262 851	17 437	7%	38	459
2021/22	393 482	18 913	5%	30	630



### Programme budget

Programme 3 addresses the key priorities as identified in the SSP these priorities include amongst others:

- SMME and Co-operative Development
- Focus on youth unemployment
- Address hard-to-fill vacancies and “critical skills”
- Training of people with disabilities
- Trade union capacity building
- Partnerships with stakeholders

<b>Pogamme 3: Learning programmes and projects</b>				
	<b>Budget 2023/24</b>		<b>2024/25</b>	<b>2025/26</b>
	<b>Discretionary</b>	<b>Administration</b>		
<b>Sub-programmes</b>	<b>R '000</b>	<b>R '000</b>	<b>R '000</b>	<b>R '000</b>
Implementation of learning programmes through PIVOTAL programmes	503 854	–	529 046	555 499
Implementation of learning programmes through NON-PIVOTAL programmes	125 963	–	132 262	138 875
Implementation of learning programmes through special projects	–	–	–	–
7,5% project administration	51 066	–	52 620	56 301
<b>Total</b>	<b>680 883</b>	<b>–</b>	<b>714 928</b>	<b>750 674</b>

The budget allocated to achieve these strategic targets is R503.8 million for pivotal programmes and R126.0 million for non-pivotal programmes. The admin related project cost is R51.1 million.

## Measuring MICT SETA Performance *(continued)*

### 7. Institutional Programme Performance Information *(continued)*

#### 7.3 Programme 3: Learning programmes *(continued)*

##### 7.3.1 Sub-programme 3.1: Learning programmes implementation *(continued)*

##### 7.3.1.6 Updated key risks and mitigation

Output	Key risks	Risk mitigation
<b>Number of employed learners entering and completing learning programmes</b>	<ul style="list-style-type: none"> <li>Failure by employers to provide relevant workplace experience for learners.</li> </ul>	<ul style="list-style-type: none"> <li>Strong partnerships established between the SETA and the MICT employers.</li> <li>Policy and procedures in place to determine suitability of participating workplaces.</li> <li>All programmes quality assured and subjected to monitoring and evaluation.</li> </ul>
<b>Worker-initiated skills development (federations/trade unions) interventions supported</b>	<ul style="list-style-type: none"> <li>Low participation of for union and federations in MICT SETA funded programmes.</li> </ul>	<ul style="list-style-type: none"> <li>Establish or strengthen frameworks in place for data validation.</li> </ul>
<b>Service Level Agreements entered into with implementing partners to deliver on occupationally directed programmes on an annual basis (TVETs, CETs and universities)</b>	<ul style="list-style-type: none"> <li>Service Level Agreements entered with implementing partners not honored to their full potential.</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen oversight procedures that are already in place to hold implementing partners not honoring their agreement to be accountable.</li> </ul>
<b>Rural skills development Projects approved and implemented</b>	<ul style="list-style-type: none"> <li>Low participation from rural stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Collaborate with the marketing division for raising awareness of the role the MICT SETA plays in support of rural skills development.</li> </ul>
<b>Skills development support for entrepreneurship within the MICT sector and cooperative development implemented on an annual basis.</b>	<ul style="list-style-type: none"> <li>Low participation of SMMEs and Cooperatives in MICT SETA funded programmes.</li> </ul>	<ul style="list-style-type: none"> <li>Collaborate with the marketing division for raising awareness of the role the MICT SETA plays in support of entrepreneurship.</li> </ul>



## 7.3.2 Sub-programme 3.2: 4IR

### 7.3.2.1 Purpose

To develop an integrated 4IR MICT SETA strategy and plan that will respond to the 4IR skills needs including detailed interventions to be carried out achieving skills competitiveness of the Media, Advertising and ICT sub-sectors.

#### Description

- Develop MICT SETA 4IR policy and framework.
- Co-ordinate the 4IR committee work streams.
- Co-ordinate 4IR specific research and develop digital strategy.
- Facilitate collaboration and partnerships with various stakeholders including National and Provincial government on 4IR initiatives.



## 7. Institutional Programme Performance Information *(continued)*

### 7.3 Programme 3: Learning programmes *(continued)*

#### 77.3.2 Sub-programme 3.2: 4IR *(continued)*

##### 77.3.2.2 Sub-programme: 4IR: Outcomes, outputs, performance indicators and targets

Outcome	Outputs	Output Indicators	Annual targets					
			Audited/actual Performance		Estimated performance	MTEF period		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25 2025/26
<b>Outcome 6</b> Enablement of the Fourth Industrial Revolution (4IR)	New 4IR partnerships established to implement 4IR initiatives in the MICT sector	Number of new 4IR partnerships established to implement 4IR initiatives in the MICT sector	New target	New target	20	35	40	35 40
	Students funded under established 4IR Research Chairs	Number of students funded under established 4IR Research Chairs	New target	New target	72	90	100	55
	4IR occupational qualifications developed	Number of 4IR occupational qualifications developed and submitted to the QCTO	New target	New target	10	3	15	17 20
	Learning laboratories established with industry partners	Number of learning Laboratories supported in collaboration with industry partners	New target	New target	New target	New target	20	25 30
	Skills competitions conducted in partnership with stakeholders	Number of skills competitions supported in partnership with stakeholders	New target	New target	New target	New target	10	15 20



### 7.3.2.3 Sub-programme 4IR: Quarterly targets

Output Indicators	Annual target	Q1	Q2	Q3	Q4
Number of new 4IR partnerships established to implement 4IR initiatives in the MICT sector	40	10	10	10	10
Number of students funded under established 4IR Research Chairs	100	25	25	25	25
Number of 4IR occupational qualifications developed and submitted to the QCTO	15	–	–	–	15
Number of learning laboratories supported in collaboration with industry partners	20	5	5	5	5
Number of skills competitions supported in partnership with stakeholders	10	2	2	3	3

### 7.3.2.4 Explanation of planned performance over the medium-term period

Responding to 4IR will remain key to the SETA, the priority will be to create capable South African youth that is employable and also that is able to start businesses and produce products like cell phone sim cards for exportation. The SETA understands this as a gap and will continue to align its strategies to respond to 4IR pulling factors that root the MICT environment.

### 7.3.2.5 Updated key risks and mitigation

Output	Key risk	Risk mitigation
<b>New 4IR partnerships established to implement 4IR initiatives in the MICT sector</b>	<ul style="list-style-type: none"> <li>Non-Compliance SLAs and MOUs</li> </ul>	<ul style="list-style-type: none"> <li>Development of a stakeholder engagement framework and customer relationship management strategy.</li> </ul>
<b>Students funded under established 4IR Research Chairs</b>	<ul style="list-style-type: none"> <li>Insufficient ICT skills demand to respond to 4IR</li> </ul>	<ul style="list-style-type: none"> <li>Marketing of opportunities</li> </ul>
<b>4IR occupational qualifications developed.</b>	<ul style="list-style-type: none"> <li>Slow turnaround time to respond to need for the qualifications</li> </ul>	<ul style="list-style-type: none"> <li>Close collaboration with the QCTO</li> </ul>
<b>Learning labs/learning factories established in partnerships with MICT stakeholders and supported</b>	<ul style="list-style-type: none"> <li>Non-Compliance SLAs and MOUs</li> </ul>	<ul style="list-style-type: none"> <li>Development of a stakeholder engagement framework and customer relationship management strategy.</li> </ul>
<b>Skills competition/hackathons conducted in partnership with stakeholders</b>	<ul style="list-style-type: none"> <li>Non-Compliance SLAs and MOUs</li> </ul>	<ul style="list-style-type: none"> <li>Development of a stakeholder engagement framework and customer relationship management strategy.</li> </ul>

## Measuring MICT SETA Performance *(continued)*

### 7. Institutional Programme Performance Information *(continued)*

#### 7.4 Programme 4: Education and Training Quality Assurance

##### 7.4.1 Purpose

This programme aims to create access to quality programmes and to quality assure training provision in the Media, Advertising and ICT sub-sectors. The objective is to implement the quality assurance regulations as stipulated by the Quality Council for Trades and Occupations (QCTO), and to improve the service and the turnaround times with regards to the following:

- Accreditation of Training Providers;
- Registration of Assessors and Moderators, and
- Learner Certification.

The MICT SETA will also engage in capacity building sessions for Training Providers to ensure the quality of delivery.

##### Brief description

This programme is responsible for quality assurance under the auspices of the Quality Council for Trades and Occupations. The QCTO conferred to the MICT SETA the authority to undertake the following quality assurance functions from 1 October 2012, subject to the terms and conditions:

- Accredite training providers for the qualification and skills programmes in terms of criteria determined by the QCTO;
- Monitor the provision by training providers of learning programmes leading to qualifications or part qualifications in order to ensure that the criteria for accreditation are being complied with;
- Evaluate learner assessment and the facilitation of moderation of learner assessment by providers in terms of criteria determined by the QCTO;
- Register assessors and moderators to undertake assessment for specified qualifications and part qualifications in terms of criteria determined by the QCTO;
- Certify qualified learners accordance with the policy determined by the QCTO;
- Maintain a comprehensive learner information management system;
- Upload learner data to the NLRD according to the NLRD load specifications, and
- Perform such other functions consistent with the NQF Act and the SDA as the QCTO may from time to time allocate to the SETAs and Professional Bodies in writing.

The currently Skills Development landscape views QCTO as the key quality assurance oversight principal. The current QCTO changes including the qualification review costing model adopted by SAQA have a budget implication for ETQA and thus the SETA. The shifts are ever changing thus there will be further economic impacts.

New advancement in technology happen more rapidly than the rate of change that can be catered for by the ETQA. This is largely because its internal policies and processes for qualifications development, accreditation and the like are determined by QCTO and must be in line with their overarching policies which do not make allowance for the pace of change.

ETQA is governed by its delegated function of quality assurance which must align to the QCTO policies. The ETQA cannot accredit providers who strictly make use of online platforms for deployment of learning, this approach is counterproductive in the age of digital learning. Natural disasters such as COVID-19 impact on the learning and development eco-system and thus the ETQA's ability to execute on its scope. Alternate mitigating processes for the deployment and validation of learning must be considered and endorsed to ensure continuity.

## 7.4.2 ETQA Outcomes, Outputs, Performance Indicators and Targets

Outcome	Outputs	Output Indicators	Annual targets						
			Audited/actual Performance		Estimated performance	MTEF period			
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
<b>Outcome 8</b> Improve the quality of education to address programmes in high demand within the MICT Sector.	Exit verifications conducted	Number of exit verifications conducted	New target	New target	New target	New target	400	300	150
	Training providers accredited	Number of training providers accredited	556	573	632	650	300	315	332
	Qualified Subject Matter Experts registered	Number of qualified Subject Matter Experts registered	New target	New target	New target	New target	150	165	180
	Constituent moderators moderating quality of programmes	Number of qualified registered moderators conducting moderation of the quality of programmes	1007	726	660	300	150	N/A	N/A
	Realigned MICT SETA qualifications submitted to the QCTO	Number of realigned MICT SETA qualifications	2	–	8	9	12	5	5
	Registered assessment Centres for the External Integrated Summative Assessment (EISA)	Number of registered assessment Centres for the External Integrated Summative Assessment (EISA)	New target	New target	New target	New target	13	14	15

## Measuring MICT SETA Performance *(continued)*

### 7. Institutional Programme Performance Information *(continued)*

#### 7.4 Programme 4: Education and Training Quality Assurance *(continued)*

##### 7.4.3 ETQA Indicators, annual and quarterly targets

Output indicators	Annual target	Q1	Q2	Q3	Q4
Number of exit verifications conducted	400	80	120	120	80
Number of training providers accredited	300	60	90	90	60
Number of qualified Subject Matter Experts registered	150	30	45	45	30
Number of qualified registered moderators conducting moderation of quality of programmes	150	30	45	45	–
Number of realigned MICT SETA qualifications	12	1	2	5	4
Number of registered assessment Centres for External Integrated Summative Assessment (EISA)	13	2	3	4	4

##### 7.4.4 Explanation of planned performance over the medium-term period:

Focused attention will be paid on delivery of quality programmes through development of fit for purpose learning programmes and qualifications, accreditation of skills development providers and increased monitoring and evaluation on occupational qualifications that are high demand

##### 7.4.5 Programme resource considerations

###### Human resources

Level	Positions	Occupancy	Vacancy rate
Paterson E	–	–	–
Paterson D	1	1	–
Paterson C	7	7	–
Paterson B	8	8	–
Paterson A	–	–	–

### Expenditure trends

Year	Total expenditure for the entity (R'000)	Personnel expenditure (R'000)	Personnel exp. as a % of total exp.	No. of employees	Average personnel cost per employee (R'000)
2017/18	164 608	6413	19%	15	428
2018/19	172 648	7916	5%	17	466
2019/20	190 906	8929	5%	20	446
2020/21	123 695	8 206	7%	15	547
2021/22	74 822	8 264	11%	15	551

### Programme budget

Programme 4 is responsible for accreditation and quality assurance. This includes:

- Accrediting training providers for qualifications and skills programmes
- Registering assessors and moderators to undertake assessment for specified qualifications.

The budget allocated to achieve the set targets is R20.2 million, for qualification development, certificates as well as other admin related costs.

Programme 3: Learning programmes and projects				
	Budget 2023/24		2024/25	2025/26
	Discretionary	Administration		
Sub-programmes	R '000	R '000	R '000	R '000
ETQA	0	20 248	21 260	22 323
<b>Total</b>	<b>0</b>	<b>20 248</b>	<b>21 261</b>	<b>22 323</b>

## Measuring MICT SETA Performance *(continued)*

### 7. Institutional Programme Performance Information *(continued)*

#### 7.4 Programme 4: Education and Training Quality Assurance *(continued)*

##### 7.4.6 Updated key risks and mitigation from the SP

Output	Key risk	Risk mitigation
<b>Training providers accredited for historical and occupational programmes</b>	<ul style="list-style-type: none"> <li>Outdated and obsolete programmes resulting in a mismatch between industry demand and skills supply.</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen, grow and maintain sustainable partnerships with the industry and skills development providers to ensure demand-led and responsive programmes.</li> </ul>
<b>Qualified Subject Matter Experts (SMEs) conducting assessment of occupational programmes</b>	<ul style="list-style-type: none"> <li>Insufficient number of qualified subject matter experts to assess on MICT SETA programmes.</li> </ul>	<ul style="list-style-type: none"> <li>Annual review and updating of SME registration criteria to reflect programme assessment criteria and the raising of awareness through collaboration with marketing.</li> </ul>
<b>Constituent moderators moderating quality of programmes</b>	<ul style="list-style-type: none"> <li>Insufficient number of moderators registering in the MICT SETA programmes.</li> </ul>	<ul style="list-style-type: none"> <li>Annual review and updating of moderator registration criteria to reflect programme assessment criteria and the raising of awareness through collaboration with marketing.</li> </ul>
<b>Constituent moderators moderating quality of programmes</b>	<ul style="list-style-type: none"> <li>Qualification realignment process is extensive, thus time consuming and affects the MICT SETA's responsiveness to skills needs.</li> </ul>	<ul style="list-style-type: none"> <li>Collaborate with QCTO to refine the process of qualifications realignment with dedicated timelines per realignment phase.</li> <li>Resourcing of the department to develop/realign qualifications</li> <li>Improved forward planning on qualifications</li> </ul>
<b>Registered assessment Centres for the implementation of the External Integrated Summative Assessment (EISA)</b>	<ul style="list-style-type: none"> <li>Lack of interest from institutions to become EISAs</li> <li>Lack of number of institutions meeting the criteria to become EISAs</li> </ul>	<ul style="list-style-type: none"> <li>Raise awareness through collaboration with marketing</li> <li>Assist with capacity building</li> </ul>





# **TECHNICAL INDICATOR DESCRIPTORS (TIDS)**



## Technical Indicator Descriptors (TIDS)

### Programme 1: Administration

#### Sub-programme 1.1: Finance

Indicator title	Obtaining an unqualified AG audit opinion
<b>Definition</b>	Ensure financial prudence through the attainment of an audit opinion that is free of material findings from the Auditor General (AG).
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Audit report from the AGSA</li> <li>• Management report from the AGSA</li> <li>• Audited Annual Financial Statements</li> </ul>
<b>Method of calculation/assessment</b>	Simple count: Each audit opinion is counted once
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Audit report from the AGSA</li> <li>• AGSA management report</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Adequate and proficient Human Capital</li> <li>• Functional Financial Management System</li> <li>• Functional Learner Management System</li> <li>• Explicit processes and procedures</li> <li>• Approved Budget</li> </ul>
<b>Disaggregation of beneficiaries (Where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Non-cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	Unqualified audit opinion.
<b>Indicator responsibility</b>	Chief Financial Officer

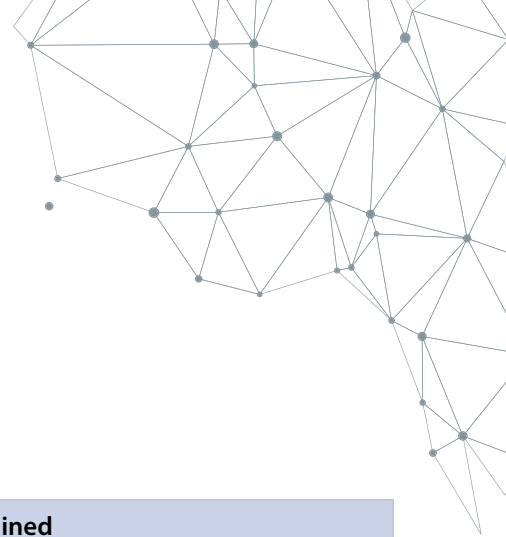


### Sub-programme 1.2: Marketing and communications

Indicator title	Number of career opportunities guide with labour market information distributed
<b>Definition</b>	Distribution of a career opportunities guide to communicate career opportunities within the MICT sector.
<b>Source of data</b>	Approved Sector Skills Plan
<b>Method of calculation/assessment</b>	Simple count: Each career opportunities guide distributed is counted separately and once every year.
<b>Means of verification</b>	Proof of distribution: <ul style="list-style-type: none"> <li>• Career Guide Acknowledgement of receipt or attendance lists</li> </ul>
<b>Assumptions</b>	Approved budget
<b>Calculation type</b>	Cumulative
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	Rural and urban
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	4 000 career opportunities guides are distributed
<b>Indicator responsibility</b>	Senior Manager: Corporate Services

## Technical Indicator Descriptors (TIDS) *(continued)*

Indicator title	Number of Career Development Events on occupations in high demand attended
<b>Definition</b>	Attendance of career events by the MICT SETA, driven by its sector, DHET and other government departments to communicate career opportunities within the MICT sector.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Career opportunities guide</li> <li>• Invitations</li> </ul>
<b>Method of calculation/assessment</b>	Simple count: Each career event is counted separately and once every year.
<b>Means of verification</b>	Attendance registers
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Availability of career opportunities guide</li> <li>• Approved budget</li> <li>• HR capacity</li> </ul>
<b>Disaggregation of beneficiaries</b>	N/A
<b>Spatial transformation</b>	Rural and urban
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	55 Career Events are attended
<b>Indicator responsibility</b>	Senior Manager: Corporate Services



Indicator title	Number of career development practitioners trained
<b>Definition</b>	Training of career development practitioners to capacitate learners to make informed choices about the MICT sectoral occupations and to showcase career opportunities within the MICT sector.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Career opportunities guide</li> <li>• Invitations</li> <li>• Training manual</li> </ul>
<b>Method of calculation/assessment</b>	Simple count: Each career development practitioner trained is counted separately and once every year.
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Attendance registers</li> <li>• Programme of events</li> <li>• Training summary report</li> </ul>
<b>Disaggregation</b>	<ul style="list-style-type: none"> <li>• Black</li> <li>• Female</li> <li>• Youth</li> </ul>
<b>Spatial transformation</b>	Rural and urban
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Availability of Career Opportunities Guide</li> <li>• Availability of Career Development Practitioners</li> <li>• Approved budget</li> <li>• HR capacity</li> </ul>
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	40 career development practitioners are trained.
<b>Indicator responsibility</b>	Senior Manager: Corporate Services.

## Technical Indicator Descriptors (TIDS) *(continued)*

Indicator title	Number of capacity building workshops on career development services hosted
<b>Definition</b>	Capacity building workshops on career development services initiated to provide orientation to career development and information on post-school education and training opportunities.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Career opportunities guide</li> <li>• Invitations</li> </ul>
<b>Method of calculation/assessment</b>	Simple count: Each career development workshop is counted separately and once every year.
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Attendance registers</li> <li>• Workshop programmes</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Availability of career opportunities guide</li> <li>• Approved budget</li> <li>• HR capacity</li> </ul>
<b>Disaggregation</b>	N/A
<b>Spatial transformation</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Two capacity building workshops hosted
<b>Indicator responsibility</b>	Senior Manager: Corporate Services



### Sub-programme 1.3: Human resources

Indicator title	Percentage vacancy rate maintained
<b>Definition</b>	Maintain vacancy rate of below 15% to make sure that the SETA has adequate staff to implement its mandate.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Payroll report</li> <li>• HR administration files</li> </ul>
<b>Method of calculation/assessment</b>	<p>Simple count of total number of vacant positions, expressed as a percentage of total approved positions</p> <p>Where:</p> <p>A = total number of approved positions, minus</p> <p>B = number of filled positions, divide by</p> <p>A = total number of approved positions, multiplied by 100</p>
<b>Means of verification</b>	Payroll report
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Explicit retention strategies, policies and processes</li> <li>• Approved staffing budget</li> </ul>
<b>Disaggregation (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Non-cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	15% or less
<b>Indicator responsibility</b>	Senior Manager: Corporate Services

## Technical Indicator Descriptors (TIDS) *(continued)*

Indicator title	Percentage implementation of approved training plan
<b>Definition</b>	This indicator measures the implementation of the training and development plan of the SETA in line with personal development plans and any other training identified as a need by the organisation. Training includes full qualifications, part qualifications, skills programmes, short courses, conferences, seminars/webinars, workshops, coaching and mentoring meant to upskills and reskill staff and all continuous development programmes.
<b>Source of data</b>	WSPs
<b>Method of calculation/assessment</b>	Count the number of training interventions, divided by the total number of training interventions planned, and express as a percentage.  Where: A = total number of training interventions implemented B = total number of planned training interventions on the training plan Multiplied by 100
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Annual training report</li> <li>• Finance training journal</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved budget</li> <li>• Approved training plan</li> <li>• Availability of people to attend training</li> </ul>
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Non-cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	70% implementation of training plan
<b>Indicator responsibility</b>	Senior Manager: Corporate Services



### Sub-programme 1.4: Information and communication technology

Indicator title	Number of business processes digitised in line Business Process Automation Plan
<b>Definition</b>	The indicator measures the realisation of the MICT SETA goal of a digitised organisation to redress the legacy manual processes. The business processes are outlined in the Business Automation Plan.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Needs analysis report</li> <li>• Approved Business Automation Plan</li> </ul>
<b>Method of calculation/assessment</b>	Simple count of the number of business processes digitised
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• User Acceptance Testing (UAT) and/or</li> <li>• Closeout Reports</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved Digital Strategy and Digital Strategy Implementation Plan with costing</li> <li>• Allocation of funding</li> </ul>
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	10 business processes digitised
<b>Indicator responsibility</b>	Chief Information Officer



## Technical Indicator Descriptors (TIDS) *(continued)*

### Sub-programme 1.5: Monitoring and evaluation

Indicator title	Number of performance monitoring reports submitted
<b>Definition</b>	The indicator measures the performance against APP targets in any financial year through the Quarterly Performance Report (QPR) submitted to DPME. It also measures the performance against the Service Level Agreement between DHET and MICT SETA through the Quarterly Monitoring Reports/SETMIS Report submitted to DHET.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Quarterly Performance Reports (QPR)</li> <li>• Quarterly Monitoring Report (QMR) or SETMIS Report</li> <li>• M&amp;E performance information files</li> </ul>
<b>Method of calculation/assessment</b>	Simple count; counting the number of quarterly reports submitted
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Proof of submission of QPR</li> <li>• Proof of submission of QMR or SETMIS reports</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• APP in place</li> <li>• Cooperation from other departments</li> <li>• Planned performance is reported timeously</li> </ul>
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Eight performance monitoring reports submitted
<b>Indicator responsibility</b>	Senior Manager: Monitoring and Evaluation



Indicator title	Number of evaluation studies conducted
<b>Definition</b>	Assessment of the relevance and impact of learning programmes funded by the SETA in line with DHET tracer studies and evaluation guidelines.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Survey Reports</li> <li>• QMRs</li> <li>• LPD administration files</li> <li>• ETQA Administration files</li> </ul>
<b>Method of calculation/assessment</b>	Simple count: Each evaluation study is counted separately and once every year.
<b>Means of verification</b>	Evaluation Study Report
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Service Level Agreement with research institution/s</li> <li>• Adequate and proficient Internal research capacity</li> <li>• Updated database of learners that completed learning programmes</li> <li>• Approved budget</li> <li>• Stakeholder cooperation</li> <li>• Learning Programmes Division cooperation</li> <li>• ETQA cooperation</li> </ul>
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Non-Cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	One evaluation study report produced
<b>Indicator responsibility</b>	Senior Manager Monitoring and Evaluation

## Technical Indicator Descriptors (TIDS) *(continued)*

### Sub-programme 1.6: Governance

Indicator title	Number of approved governance charter reports submitted to DHET
<b>Definition</b>	<p>The indicator measures the number of reports submitted in terms of the Governance charter.</p> <p>It measures compliance with the PFMA and National Treasury Regulations.</p>
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Board secretariat administration files</li> <li>• Audit action plan report</li> <li>• Risk management plan</li> </ul>
<b>Method of calculation/assessment</b>	Simple count: count the number of governance charter reports submitted to DHET per annum
<b>Means of verification</b>	Approved governance charter reports submitted to DHET
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved governance charter</li> <li>• Human resources</li> <li>• Approved policies</li> <li>• Annual governance calendar</li> <li>• DHET compliance calendar</li> </ul>
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Non-cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Four approved governance charter reports submitted to DHET
<b>Indicator responsibility</b>	Board secretary



### Sub-programme 1.7: Internal audit

Dimension	Description
<b>Indicator title</b>	<b>Percentage implementation of internal audit plan</b>
<b>Definition</b>	The extent to which the internal audit plan is being implemented.
<b>Source of data</b>	Internal audit plan
<b>Method of calculation/assessment</b>	Count the number of actual audit interventions implemented during the year, divide by the total number of planned audit interventions, multiplies by 100.  Where: A = number of actual audit interventions implemented, divide by B = total number of planned audit interventions Multiplied by 100
<b>Means of verification</b>	Internal audit reports
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved internal audit plan</li> <li>• Collaboration of MICT SETA managers</li> <li>• HR capacity</li> </ul>
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	100% of audit plan implemented
<b>Indicator responsibility</b>	Chief Executive Officer

## Technical Indicator Descriptors (TIDS) *(continued)*

### Sub-programme 1.8: Risk and compliance

Indicator title	Percentage implementation of the risk management plan
<b>Definition</b>	This indicator measures the implementation of the approved Risk Management plan in any financial year. It assessing the % of risk management activities implemented towards ensuring an improved risk management culture within the organisation.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Progress reports</li> <li>• Approved risk management governance reports</li> <li>• Updated risk registers</li> </ul>
<b>Method of calculation/assessment</b>	A = total number of activities B = completed activities B divide by A multiplied by 100
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Approved risk management plan</li> <li>• Approved risk management governance policies</li> <li>• Approved fraud prevention governance policies</li> <li>• Approved whistle blowing policy</li> <li>• Attendance registers for risk management training interventions</li> <li>• Updated risk registers</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved risk management plan</li> <li>• Co-operation from management</li> </ul>
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Non-cumulative
<b>Reporting cycle</b>	Annual
<b>Desired performance</b>	100% implementation of the risk management plan
<b>Indicator responsibility</b>	Chief Executive Officer



## PROGRAMME 2: SECTOR SKILLS PLANNING

Indicator title	Percentage of WSP and ATR applications evaluated
<b>Definition</b>	This indicator measures the evaluation of all WSPs and ATRs submissions received, to inform the Sector Skills Plan development on an annual basis.
<b>Source of data</b>	Management Information System reflecting the number of WSPs and ATR received
<b>Method of calculation/assessment</b>	Simple count: Each firm that have submitted a WSP and an ATR is counted separately and once every year.
<b>Means of verification</b>	WSPs and ATRs submission report, which reflects the number of WSPs and ATRs that have been received by MICT SETA
<b>Assumptions</b>	Functional and efficient Management Information System for submission purposes
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	100% evaluation of WSP/ATRs
<b>Indicator responsibility</b>	Senior Manager: Sector Skills Planning

## Technical Indicator Descriptors (TIDS) *(continued)*

Indicator title	Approved Sector Skills Plan submitted to DHET
<b>Definition</b>	Labour market analyses conducted to identify key drivers of change in the MICT sector, identify skills priorities and develop a Sector Skills Plan that contain lists of occupational shortages (scarce skills) and skills gaps (critical/top-up skills) on an annual basis. SSP approved by Accounting Authority for submission to DHET.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• WSPS and ATRs</li> <li>• Survey Reports</li> <li>• Stakeholder Engagement Reports</li> <li>• Research Reports</li> </ul>
<b>Method of calculation/assessment</b>	Simple count: Each approved SSP is counted separately and once every year.
<b>Means of verification</b>	Approved Sector Skills Plan – notification of approval by DHET List of occupational shortages and skills gaps
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Adequate and proficient Internal research capacity</li> <li>• Functional Management Information Systems</li> <li>• Approved Research Budget</li> <li>• Stakeholder Cooperation</li> </ul>
<b>Calculation type</b>	Non-cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	One SSP Approved
<b>Indicator responsibility</b>	Senior Manager: Sector Skills Planning



### PROGRAMME 3: LEARNING PROGRAMMES

Indicator title	Percentage of discretionary grant budget allocated at developing high skills on an annual basis
<b>Definition</b>	Budget that is allocated to support eligible individuals to access subsidised training in selected certificate qualifications, and priority skill sets. These are classified as pivotal programmes at NQF level 6 and above referred to as high level skills.
<b>Source of data</b>	Service level agreements and learning programmes administration files.
<b>Method of calculation/assessment</b>	Formula for % of discretionary grant budget allocated = numerator is budget for pivotal programmes (NQF level 6 and above) divided by denominator is overall discretionary grant budget X 100.
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Commitment Register</li> <li>• Management Accounts</li> </ul>
<b>Assumptions</b>	Approved SSP and approved budget
<b>Calculation type</b>	Cumulative (year-end)
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	When at least 6.4% of discretionary grant budget allocated at developing high skills (NQF level 6 and above) is committed.
<b>Indicator responsibility</b>	Senior Manager: Learning Programmes

Indicator title	Percentage of discretionary grant budget allocated at developing intermediate level skills on an annual basis
<b>Definition</b>	Budget that is allocated to support eligible individuals to access subsidised training in selected certificate qualifications, and priority skill sets. These are classified as pivotal programmes at NQF level 4 – 5 referred to as intermediate level skills.
<b>Source of data</b>	Service level agreements and learning programmes administration files.
<b>Method of calculation/assessment</b>	Formula for % of discretionary grant budget allocated = numerator is budget for pivotal programmes (NQF level 4 and 5) divided by denominator is overall discretionary grant budget X 100.
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Commitment Register</li> <li>• Management Accounts</li> </ul>
<b>Assumptions</b>	Approved SSP and approved budget
<b>Calculation type</b>	Cumulative (year-end)
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	When at least 92.4% of discretionary grant budget allocated at developing intermediate skills (NQF level 4 and 5 is committed).
<b>Indicator responsibility</b>	Senior Manager: Learning Programmes



## Technical Indicator Descriptors (TIDS) *(continued)*

Indicator title	Percentage of discretionary grant budget allocated at developing elementary skills on an annual basis
<b>Definition</b>	Budget that is allocated to support eligible individuals to access subsidised training in selected certificate qualifications, and priority skills sets. These are classified as pivotal programmes at NQF level 3 and below referred to as elementary skills.
<b>Source of data</b>	Service level agreements and learning programmes administration files.
<b>Method of calculation/assessment</b>	Formula for % of discretionary grant budget allocated = numerator is budget for pivotal programmes (NQF level 3 and below) divided by denominator is overall discretionary grant budget X 100.
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Commitment Register</li> <li>• Management Accounts</li> </ul>
<b>Assumptions</b>	Approved SSP and approved budget
<b>Calculation type</b>	Cumulative (year-end)
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	When at least 1% of discretionary grant budget allocated at developing elementary skills (NQF level 3 and below) is committed.
<b>Indicator responsibility</b>	Senior Manager: Learning Programmes

Indicator title	Number of MICT SETA offices established and maintained in TVET colleges on an annual basis
<b>Definition</b>	Establish and maintain MICT SETA offices in TVET colleges to support the growth of the public college system by promoting TVET programmes that are aligned to industry skills needs on an annual basis.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• MICT SETA and TVETs SLAs</li> <li>• MICT SETA and TVETs MOUs</li> </ul>
<b>Method of calculation/assessment</b>	Simple Count
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Monthly reports</li> <li>• Quarterly Management Reports</li> <li>• Annual Reports</li> <li>• MICT SETA and TVETs MOUs</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved Discretionary Grants Budget</li> <li>• Explicit Policies, processes, and procedures</li> <li>• Approved SLAs</li> <li>• Adequate and proficient Human Capital to ensure project management and monitoring and evaluation.</li> <li>• Functional Management Information Systems</li> </ul>
<b>Calculation type</b>	Non-cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	14 MICT SETA offices established and maintained in TVET colleges on an annual basis.
<b>Indicator responsibility</b>	Senior Manager: Learning Programmes



Dimension	Description
<b>Indicator title</b>	<b>Number of unemployed learners entering learning programmes</b>
<b>Definition</b>	Number of unemployed learners successfully registered to enter workplace-based learning programmes (learnerships, internships, skills programmes, short programmes, candidacy, AET and WIL) including bursary programmes as per MICT SETA discretionary grant policy.
<b>Source of data</b>	MICT SETA online MIS/Learning Programmes administration files
<b>Method of calculation/assessment</b>	Count the number of unemployed learners entering learning programmes captured on the MICT SETA online system or reflected in learner agreements, where there is verifiable evidence as listed in source/collection of data above
<b>Means of verification</b>	<p><b>Learnerships:</b> Learnership List; duly signed workplace-based learning (WBL) programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; certified copy of learner's highest qualifications.</p> <p><b>Internships:</b> Duly signed WBL (Intern) programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; certified copy of learner's highest qualifications.</p> <p><b>WIL (TVET placement):</b> Duly signed (TVET Placement agreement) WBL programme agreement, certified ID copy of learner; certified copy of learner's highest qualifications. Confirmation letter from the institution.</p> <p><b>WIL (University placement):</b> Duly signed (University placement agreement) WBL programme agreement, certified ID copy of learner; certified copy of learner's highest qualifications. Confirmation letter from the institution.</p> <p><b>Skills programmes:</b> Skills programme agreement; duly signed fixed term contract of employment for 18.2 Learners, certified ID copy of learner; and copy of certified highest qualification.</p> <p><b>Short programmes:</b> Short Programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; and copy of certified highest qualification.</p> <p><b>Adult Education and Training (AET):</b> AET Programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; and copy of certified highest qualification. Training provider accreditation letter applicable to the training programme.</p> <p><b>Candidacy:</b> Candidacy programme agreement; certified ID copy of learner; and copy of certified highest qualification, letter confirming that learner is registered for a candidacy programme; and duly signed fixed term contract of employment.</p> <p><b>Bursary programmes:</b> Duly signed bursary agreement entered into between the learner and the SETA or its contracted agent; certified copy of Bursar's ID; continuation letter from the education institution or proof of payment or learner registration form with the education institution or confirmation of registration from the education institution</p>
<b>Assumptions</b>	Approved Discretionary Grant policy is in place

## Technical Indicator Descriptors (TIDS) *(continued)*

Dimension	Description
<b>Indicator title</b>	<b>Number of unemployed learners entering learning programmes</b>
<b>Disaggregation of beneficiaries (Where applicable)</b>	<ul style="list-style-type: none"> <li>• Target for Women: 54%</li> <li>• Target for Youth: 80%</li> <li>• Target for People with Disabilities: 4%</li> </ul>
<b>Spatial transformation (where applicable)</b>	Recruitment of learners will be done in any of the nine provinces
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	<p>Entered:</p> <ul style="list-style-type: none"> <li>• TVET WIL 1600</li> <li>• HE WIL 685</li> <li>• Internships 1200</li> <li>• Skills programmes 950</li> <li>• Learnerships 3 250</li> <li>• Candidacy 85</li> <li>• Short programmes 950</li> <li>• New bursaries 300</li> <li>• Continuing bursaries 200</li> <li>• AET 65</li> </ul> <p>9 285 unemployed people entering learning programmes.</p>
<b>Indicator responsibility</b>	Senior Manager: Learning Programmes



Dimension	Description
<b>Indicator title</b>	<b>Number of unemployed learners completing learning programmes</b>
<b>Definition</b>	Number of unemployed learners completing workplace-based learning programmes (learnerships, internships, skills programmes, short programmes, candidacy, AET and WIL) including bursary programmes as per MICT SETA discretionary grant policy.
<b>Source of data</b>	MICT SETA online MIS/Learning Programmes administration files
<b>Method of calculation/assessment</b>	Count the number of unemployed learners completing learning programmes captured on the MICT SETA online system or reflected in learner agreements and statements of results, where there is verifiable evidence as listed in source/collection of data above
<b>Means of verification</b>	<p><b>Learnerships:</b> Duly signed workplace-based learning (WBL) programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; certified copy of learner's highest qualifications; statement of results.</p> <p><b>Internships:</b> Duly signed WBL (Intern) programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; certified copy of learner's highest qualifications; letter of completion from employer.</p> <p><b>WIL (TVET placement):</b> duly signed (TVET Placement agreement) WBL programme agreement, certified ID copy of learner; certified copy of learner's highest qualifications. Letter of completion from.</p> <p><b>WIL (University placement):</b> Duly signed (University placement agreement) WBL programme agreement, certified ID copy of learner; certified copy of learner's highest qualifications. Letter of completion from employer.</p> <p><b>Skills programmes:</b> skills programme agreement; duly signed fixed term contract of employment for 18.2 Learners, certified ID copy of learner; and copy of certified highest qualification, statement of results.</p> <p><b>Short Programmes:</b> Short Programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; and copy of certified highest qualification, statement of results.</p> <p><b>Adult Education and Training (AET):</b> AET Programme agreement; duly signed fixed term contract of employment; certified ID copy of learner; and copy of certified highest qualification. Training provider accreditation letter applicable to the training programme, statement of results</p> <p><b>Candidacy:</b> Candidacy programme agreement; certified ID copy of learner; and copy of certified highest qualification, letter confirming that learner is registered for a candidacy programme; and duly signed fixed term contract of employment.</p> <p><b>Bursary programmes:</b> Duly signed bursary agreement entered into between the learner and the SETA or its contracted agent; certified copy of Bursar's ID; continuation letter from the education institution or proof of payment or learner registration form with the education institution or confirmation of registration from the education institution, statement of results</p>
<b>Assumptions</b>	Approved Discretionary Grant policy is in place

## Technical Indicator Descriptors (TIDS) *(continued)*

Dimension	Description
<b>Indicator title</b>	<b>Number of unemployed learners completing learning programmes</b>
<b>Disaggregation of beneficiaries (Where applicable)</b>	<ul style="list-style-type: none"> <li>• Target for Women: 54%</li> <li>• Target for Youth: 80%</li> <li>• Target for People with Disabilities: 4%</li> </ul>
<b>Spatial transformation (where applicable)</b>	Recruitment of learners will be done in any of the nine provinces
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	Completing: <ul style="list-style-type: none"> <li>• TVET WIL 560</li> <li>• HE WIL 230</li> <li>• Internships 600</li> <li>• Skills programmes 470</li> <li>• Learnerships 1 600</li> <li>• Candidacy 50</li> <li>• Short programmes 475</li> <li>• Bursary completions 135</li> </ul> 4 120 unemployed learners completing learning programmes
<b>Indicator responsibility</b>	Senior Manager: Learning programmes



Dimension	Description
<b>Indicator title</b>	<b>Number employed learners entering learning programmes</b>
<b>Definition</b>	Number of employed learners successfully registered to enter workplace based Learning programmes (Skills programmes, AET and Bursary), as per MICT SETA grants policy
<b>Source of data</b>	MICT SETA online MIS/Learning Programmes administration files
<b>Method of calculation/assessment</b>	Count the number of employed learners entering learning programmes captured on the MICT SETA online system or reflected in learner agreements, as listed in source/collection of data above.
<b>Means of verification</b>	<p>Skills programmes- registered skills programme agreement; certified ID copy of learner; and copy of certified highest qualification, letter confirming employment status.</p> <p>Adult Education and Training (AET): AET Programme agreement; contract of employment or letter of confirmation of employment status for the duration of the learning programme; certified ID copy of learner and copy of certified highest qualification.</p> <p>Bursary programmes – duly signed bursary agreement entered into between the learner and the SETA or its contracted agent; certified copy of Bursar's ID, copy of certified highest qualification; Proof of registration or continuation letter from education institution or proof of payment or learner registration form with the institution or confirmation of registration from the education institution; student financial statement and proof of employment.</p>
<b>Assumptions</b>	Approved Discretionary Grant policy is in place
<b>Disaggregation of beneficiaries (Where applicable)</b>	<ul style="list-style-type: none"> <li>• Target for Women: 54%</li> <li>• Target for Youth: 80%</li> <li>• Target for People with Disabilities: 4%</li> </ul>
<b>Spatial transformation (where applicable)</b>	Recruitment of learners will be done in any of the nine provinces
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	<p>Entered:</p> <ul style="list-style-type: none"> <li>• New bursaries 70</li> <li>• Continuing bursaries 30</li> <li>• Skills programmes 180</li> <li>• AET/CET 65</li> </ul> <p>345 employed Learners entered into learning programmes</p>
<b>Indicator responsibility</b>	Senior Manager: Learning programmes

## Technical Indicator Descriptors (TIDS) *(continued)*

Dimension	Description
<b>Indicator title</b>	<b>Number employed learners completing learning programmes</b>
<b>Definition</b>	Number of employed learners completing workplace based learning programmes (skills programmes, AET and bursaries), as per MICT SETA grants policy
<b>Source of data</b>	MICT SETA online MIS/Learning Programmes administration files
<b>Method of calculation/assessment</b>	Count the number of employed learners completing learning programmes, as captured on the MICT SETA online system or reflected in learner agreements, as listed in source/collection of data above.
<b>Means of verification</b>	<p><b>Skills programmes:</b> Registered skills programme agreement; certified ID copy of learner; and copy of certified highest qualification, letter confirming employment status, statement of results.</p> <p><b>Adult Education and Training (AET):</b> AET Programme agreement; contract of employment or letter of confirmation of employment status for the duration of the learning programme; certified ID copy of learner and copy of certified highest qualification, statement of results.</p> <p><b>Bursary programmes:</b> Duly signed bursary agreement entered into between the learner and the SETA or its contracted agent; certified copy of Bursar's ID, copy of certified highest qualification; Proof of registration or continuation letter from education institution or proof of payment or learner registration form with the institution or confirmation of registration from the education institution; student financial statement and proof of employment, statement of results.</p>
<b>Assumptions</b>	Approved Discretionary Grant policy is in place
<b>Disaggregation of beneficiaries (Where applicable)</b>	<ul style="list-style-type: none"> <li>• Target for Women: 54%</li> <li>• Target for Youth: 80%</li> <li>• Target for People with Disabilities: 4%</li> </ul>
<b>Spatial transformation (where applicable)</b>	Recruitment of learners will be done in any of the nine provinces
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	<p>Completed:</p> <ul style="list-style-type: none"> <li>• Skills programmes 140</li> <li>• AET/CET 25</li> <li>• Bursary completions 20</li> </ul> <p>185 employed learners completed learning programmes</p>
<b>Indicator responsibility</b>	Senior Manager: Learning programmes



Dimension	Description
<b>Indicator title</b>	<b>Number of employed learners entering Recognition of Prior Learning (RPL) programmes</b>
<b>Definition</b>	Number of employed learners entering and completing RPL programme assessment as per ETQA approved assessment report and the MICSETA grant policy
<b>Source of data</b>	MICT SETA online MIS/Learning Programmes administration files MICSETA grant policy ETQA approved assessment report
<b>Method of calculation/assessment</b>	Count the number of employed learners entering RPL assessment, recorded manually or captured on the MICT SETA online system where there is verifiable evidence as listed in source/collection of data above
<b>Means of verification</b>	Duly signed partnership agreements or registered RPL agreement; certified ID copy of learner; certified copy of highest qualification; employment confirmation.
<b>Assumptions</b>	Approved Discretionary Grant policy is in place
<b>Disaggregation of beneficiaries (Where applicable)</b>	<ul style="list-style-type: none"> <li>• Target for Women: 54%</li> <li>• Target for Youth: 80%</li> <li>• Target for People with Disabilities: 4%</li> </ul>
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	100 learners are doing RPL programmes
<b>Indicator responsibility</b>	Senior Manager: Learning programmes



## Technical Indicator Descriptors (TIDS) *(continued)*

Dimension	Description
<b>Indicator Title</b>	<b>Number of employed learners completing Recognition of Prior Learning (RPL) programmes</b>
<b>Definition</b>	Number of employed learners completing RPL programme assessment as per ETQA approved assessment report and the MICSETA grant policy
<b>Source of data</b>	MICT SETA online MIS/Learning Programmes administration files MICT SETA grant policy ETQA approved assessment report
<b>Method of Calculation/Assessment</b>	Count the number of employed learners completing RPL assessment, recorded manually or captured on the MICT SETA online system where there is verifiable evidence as listed in source/collection of data above
<b>Means of verification</b>	Duly signed partnership agreements or registered RPL agreement; certified ID copy of learner; certified copy of highest qualification; employment confirmation and statement of results.
<b>Assumptions</b>	Approved Discretionary Grant policy is in place
<b>Disaggregation of beneficiaries (where applicable)</b>	<ul style="list-style-type: none"> <li>• Target for Women: 54%</li> <li>• Target for Youth: 80%</li> <li>• Target for People with Disabilities: 4%</li> </ul>
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting Cycle</b>	Quarterly
<b>Desired performance</b>	42 employed learners completed RPL programmes
<b>Indicator Responsibility</b>	Senior Manager: Learning programmes



Dimension	Description
<b>Indicator title</b>	<b>Number of rural skills development projects implemented.</b>
<b>Definition</b>	Number rural skills development projects approved and implemented in rural areas as per SETA grant policy
<b>Source of data</b>	MICT SETA online MIS/Learning Programmes administration files Project implementation reports and data
<b>Method of calculation/assessment</b>	Simple count of the number of approved projects implemented in Rural areas
<b>Means of verification</b>	Service Level Agreements or MOUs;
<b>Assumptions</b>	SETA Rural strategy is in place
<b>Disaggregation of beneficiaries (Where applicable)</b>	Not applicable
<b>Spatial transformation (where applicable)</b>	Rural areas across the nine provinces
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	50 rural projects are implemented
<b>Indicator responsibility</b>	Senior Manager: Learning programmes

## Technical Indicator Descriptors (TIDS) *(continued)*

Dimension	Description
<b>Indicator title</b>	<b>Number of Small Enterprises (SEs) supported through skills development interventions</b>
<b>Definition</b>	Number of Small Enterprises (SEs) supported through skills development interventions on an annual basis
<b>Source of data</b>	Learning Programmes administration files
<b>Method of calculation/assessment</b>	Count the number of SEs supported financially in implementing pivotal and non-pivotal learning programmes
<b>Means of verification</b>	A duly signed Service Level Agreement (SLA) entered into between the SE and MICT SETA; Program rollout plan, Learner agreements, certified ID, certified highest qualification; learner list
<b>Assumptions</b>	SEs are operating within the MICT sector and there are guiding principles as per strategic projects and partnerships policy in place
<b>Disaggregation of beneficiaries (Where applicable)</b>	Not applicable
<b>Spatial transformation (where applicable)</b>	Recruitment of SEs will be done in all MICT SETA regions
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	200 SEs are supported
<b>Indicator responsibility</b>	Senior Manager: Learning programmes



Dimension	Description
<b>Indicator title</b>	<b>Number of Co-operatives supported through the subsidising of skills development interventions for their members</b>
<b>Definition</b>	Number of Co-ops within MICT SETA sub-sectors that are assisted through the roll-out of PIVOTAL and/or Non-PIVOTAL training interventions for their members.
<b>Source of data</b>	Learning Programmes administration files, learner IDs and learner induction attendance registers; learner IDs; highest qualification; MICT agreement; fixed term contract; learner lists
<b>Method of calculation/assessment</b>	Count the number of Co-operatives supported with verifiable evidence as listed in source/collection of data above
<b>Means of verification</b>	A duly signed SLA entered into between the Co-op and MICT SETA;; Program rollout plan; learner IDs and learner induction attendance registers
<b>Assumptions</b>	Guiding principles as per DG Policy in place; Co-operatives are operating within MICT SETA sub-sectors.
<b>Disaggregation of beneficiaries (Where applicable)</b>	Not applicable
<b>Spatial transformation (where applicable)</b>	Recruitment of Co-operatives' learners will be done in all provinces
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	150 Co-operatives' learners are supported
<b>Indicator responsibility</b>	Senior Manager: Learning programmes

## Technical Indicator Descriptors (TIDS) *(continued)*

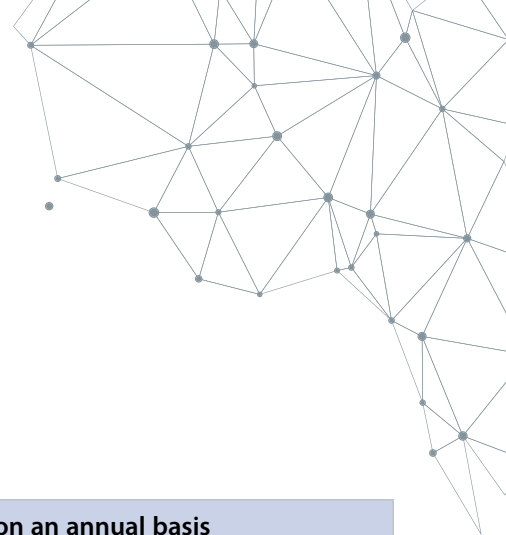
Dimension	Description
<b>Indicator title</b>	<b>Number of people trained on entrepreneurship programmes</b>
<b>Definition</b>	Measures the number of people trained on entrepreneurship programmes
<b>Source of data</b>	Learning Programmes administration files; Learner ID numbers
<b>Method of calculation/ assessment</b>	Count the number of people trained on entrepreneurship programmes where there is verifiable evidence as listed in source/collection of data above
<b>Means of verification</b>	Strategic projects policy guidelines are in place Discretionary grant policy in place
<b>Assumptions</b>	People to be trained on entrepreneurship and supported to start their businesses will enter and complete the programme within the set time frames
<b>Disaggregation of beneficiaries (Where applicable)</b>	<ul style="list-style-type: none"> <li>• Target for Women: 54%</li> <li>• Target for Youth: 80%</li> <li>• Target for People with Disabilities: 4%</li> </ul>
<b>Spatial transformation (where applicable)</b>	Recruitment of people to be trained on entrepreneurship programmes will be done in any of the nine provinces
<b>Calculation type</b>	Non-cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	150 people trained on entrepreneurship
<b>Indicator responsibility</b>	Senior Manager: Learning programmes



Dimension	Description
<b>Indicator title</b>	<b>Number of skills development intervention support for members/employees of NGOs/NPOs/CBO</b>
<b>Definition</b>	Number of NGOs/NPOs/CBOs assisted through skills development interventions (short courses, skills programmes, PIVOTAL programmes, bursaries).
<b>Source of data</b>	Learning Programme administration files Signed MoUs with NGOs/NPOs/CPOs Signed SLAs/MOUs
<b>Method of calculation/assessment</b>	Count the number of NGOs/NPOs/CBOs supported through skills development interventions as reported, where there is verifiable evidence as listed in source/ collection of data above
<b>Means of verification</b>	A duly signed SLA/contract entered into between the NGO/NPO/CBO and MICT SETA; Certified ID, Program rollout plan and learner list; learner agreements, fixed term contracts
<b>Assumptions</b>	Guiding principles as per the Discretionary Grant Policy in place; NGOs/NPOs/CBOs are operating within MICT SETA sub-sectors.
<b>Disaggregation of beneficiaries (Where applicable)</b>	<ul style="list-style-type: none"> <li>• Target for Women: 54%</li> <li>• Target for Youth: 80%</li> <li>• Target for People with Disabilities: 4%</li> </ul>
<b>Spatial transformation (where applicable)</b>	Recruitment of entities will be done in all MICT SETA Regions
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	150 NGOs/NPOs/CBOs are supported
<b>Indicator responsibility</b>	Senior Manager: Learning programmes

## Technical Indicator Descriptors (TIDS) *(continued)*

Dimension	Description
<b>Indicator title</b>	<b>Number of worker-initiated skills development (federations/trade unions) interventions supported</b>
<b>Definition</b>	Number of federations/trade members (of unions operating within MICT SETA sub-sectors) that complete skills development interventions
<b>Source of data</b>	Learning Programmes administration files Learner ID numbers Learner induction attendance registers
<b>Method of calculation/assessment</b>	Count the number of Federations/Trade Union members that attended skills development interventions, with verifiable evidence as listed in source/collection of data above
<b>Means of verification</b>	A duly signed agreement/SLA entered into between the federations/trade unions and MICT SETA; confirmation of employment letter, duly signed MICT agreement; Certificate of completion of programme by union members; Programme rollout plan and learner list.
<b>Assumptions</b>	Guiding principles as per the Discretionary Grants in place; Federations/Trade Unions are operating within MICT SETA sub-sectors.
<b>Disaggregation of beneficiaries (Where applicable)</b>	Not applicable
<b>Spatial transformation (where applicable)</b>	Recruitment of Federations/Trade Unions will be done across all nine provinces
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	200 worker-initiated skills development interventions supported
<b>Indicator responsibility</b>	Senior Manager: Learning programmes



Indicator title	Number of Centres of Specialisation supported on an annual basis
<b>Definition</b>	Recognise existing and establish centres of specialisation in partnership with industry to afford learners from these recognised centres the appropriate workplace experience in innovation and enterprise development, thereby increasing their prospects of employment on an annual basis.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• MICT SETA and Centres of Specialisation SLAs</li> <li>• MICT SETA and employers MOUs</li> </ul>
<b>Method of calculation/assessment</b>	Simple count, each Centre of Specialisation counted once for every year.
<b>Means of verification</b>	Signed MOU between MICT SETA and Centre of Specialisation
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved Discretionary Grants Budget</li> <li>• Explicit Policies, processes and procedures</li> <li>• Approved SLAs</li> <li>• Adequate and proficient Human Capital to ensure project management and monitoring and evaluation</li> </ul>
<b>Disaggregation of beneficiaries (Where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	12 Centres of Specialisation are supported
<b>Indicator responsibility</b>	Senior Manager: Learning programmes



## Technical Indicator Descriptors (TIDS) *(continued)*

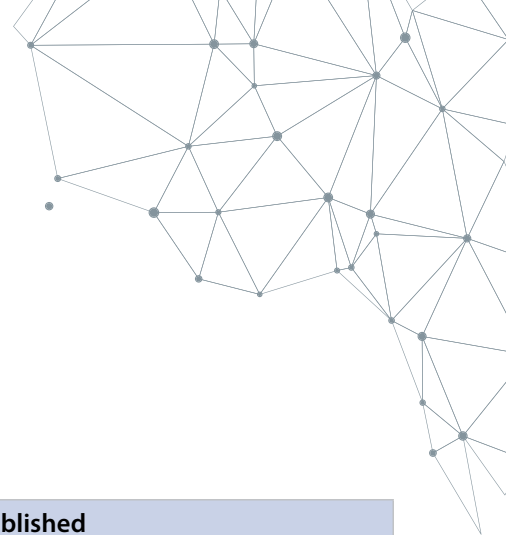
Indicator title	Number of TVET Lecturers exposed to the industry through skills development programmes
<b>Definition</b>	Establish partnerships with TVETs and employers to expose TVET lecturers to requisite workplace experience, thereby increasing their appreciation of demand for skills by employers and ensuring TVET programmes that are aligned to industry skills needs
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• MICT SETA, TVETs and employers SLAs</li> <li>• MICT SETA, TVETs and employers MOUs</li> </ul>
<b>Method of calculation/assessment</b>	Simple count: Each lecturer is counted separately and once every year.
<b>Means of verification</b>	Duly signed TVET Lecturer Agreement, certified ID copies, certified highest qualification, learner list, program rollout plan and confirmation of employment letter Monthly reports and closeout report; statements of results or certificate of completion
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved Discretionary Grants Budget</li> <li>• Explicit Policies, processes and procedures</li> <li>• Approved SLAs</li> <li>• Adequate and proficient Human Capital to ensure project management and monitoring and evaluation</li> </ul>
<b>Disaggregation of beneficiaries (Where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	75 TVET Lecturers exposed to the industry through skills development programmes
<b>Indicator responsibility</b>	Senior Manager: Learning programmes



Indicator title	Number of TVET Lecturers awarded bursaries on an annual basis.
<b>Definition</b>	Provide Bursaries to TVET Lecturers studying in HET institutions to assist them to acquire academic qualifications.
<b>Source of data</b>	MICT SETA, TVETs and HET Institutions SLAs
<b>Method of calculation/assessment</b>	Simple count: Each lecturer/learner is counted separately and once every year.
<b>Means of verification</b>	Duly signed TVET Lecturer bursary agreement, certified ID Copies, certified highest qualification, learner list, fee statement and proof of registration/acceptance letter. Learner year end results
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved Discretionary Grants Budget</li> <li>• Explicit Policies, processes and procedures</li> <li>• Approved SLAs</li> <li>• HET Institution-TVETs Lecturer Agreements</li> <li>• Adequate and proficient Human Capital to ensure project management and monitoring and evaluation</li> </ul>
<b>Calculation type</b>	Cumulative
<b>Disaggregation of beneficiaries (Where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	65 TVET lecturers are awarded bursaries
<b>Indicator responsibility</b>	Senior Manager: Learning programmes

## Technical Indicator Descriptors (TIDS) *(continued)*

Indicator title	Number of CET colleges lecturers exposed to skills development programmes
<b>Definition</b>	Expose CET colleges lecturers to skills development programmes
<b>Source of data</b>	MICT SETA, CETs and HET Institutions SLAs
<b>Method of calculation/assessment</b>	Simple count: Each lecturer/learner is counted separately and once every year.
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Duly signed MICT SETA CET agreement, certified ID copies, certified highest qualification, Learner list, confirmation of employment letter, proof of registration/acceptance letter</li> <li>• Learner year end results</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved Discretionary Grants Budget</li> <li>• Explicit Policies, processes and procedures</li> <li>• Approved SLAs</li> <li>• HET Institution-CETs Lecturer Agreements</li> <li>• Adequate and proficient Human Capital to ensure project management and monitoring and evaluation</li> </ul>
<b>Disaggregation of beneficiaries (Where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	75 CET colleges lecturers
<b>Indicator responsibility</b>	Senior Manager: Learning programmes



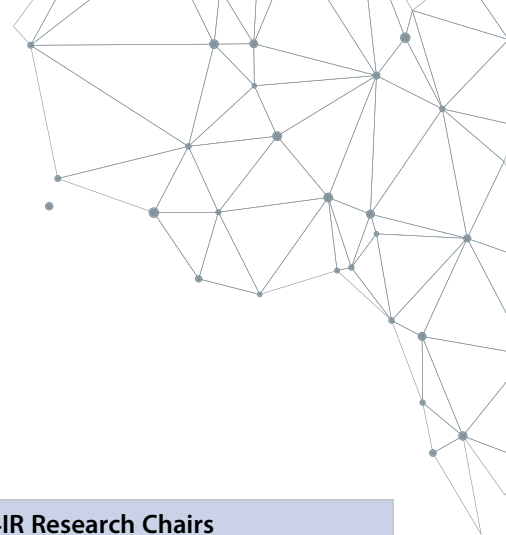
Indicator title	Number of partnerships with TVET colleges established
<b>Definition</b>	This is the number of partnership projects established with TVET colleges, as per the SETA grant policy
<b>Source of data</b>	MICT SETA online MIS/Learner programmes administration files
<b>Method of calculation/assessment</b>	Count the number of approved partnership projects with TVET colleges
<b>Means of verification</b>	Signed partnership agreements or MOUs with clearly defined deliverables and timelines, entered into between MICT SETA and TVET colleges
<b>Assumptions</b>	SETA partnership strategy in place
<b>Disaggregation of beneficiaries</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	80 partnership projects established
<b>Indicator responsibility</b>	Senior Manager Learning Programmes
<b>Indicator title</b>	Number of CET partnerships established
<b>Definition</b>	Establish partnerships with CETs for the realisation of skilled learners with appropriate workplace experience, on an annual basis.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• MICT SETA and CETs SLAs</li> <li>• MICT SETA and CETs MOUs</li> </ul>
<b>Method of calculation/assessment</b>	Simple count, each partnerships counted once for every year.
<b>Means of verification</b>	Approved MICT SETA and CETS MOUs
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved Discretionary Grants Budget</li> <li>• Explicit Policies, processes and procedures</li> <li>• Approved SLAs</li> <li>• Adequate and proficient Human Capital to ensure project management and monitoring and evaluation</li> </ul>
<b>Disaggregation of beneficiaries (Where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	12 CET partnerships are established
<b>Indicator responsibility</b>	Senior Manager: Learning Programmes

## Technical Indicator Descriptors (TIDS) *(continued)*

Indicator title	Number of partnerships established with Universities
<b>Definition</b>	This is the number of partnership projects established with universities, as per the SETA grant policy
<b>Source of data</b>	MICT SETA online MIS/Learner programmes administration files
<b>Method of calculation/assessment</b>	Count the number of approved partnership projects with universities
<b>Means of verification</b>	Signed partnership agreements or MOUs with clearly defined deliverables and timelines, entered into between MICT SETA and universities
<b>Assumptions</b>	SETA partnership strategy in place
<b>Disaggregation of beneficiaries (Where applicable)</b>	N/A
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	25 partnership projects with universities are established
<b>Indicator responsibility</b>	Senior Manager: Learning Programmes

### Sub-programme 3.2: 4IR

Indicator title	Number of new 4IR partnerships established to implement 4IR initiatives in the MICT sector
<b>Definition</b>	Number of new 4IR partnerships established to implement 4IR initiatives in the MICT sector
<b>Source of data</b>	4IR administration files. Partnerships agreements/MOUs
<b>Method of calculation</b>	Simple count
<b>Means of verification</b>	Signed MOUs with deliverables
<b>Assumptions</b>	SETA partnership guidelines in place
<b>Disaggregation of beneficiaries</b>	Not applicable
<b>Spatial transformation</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	35 4IR partnerships established
<b>Indicator responsibility</b>	Senior Manager: 4IR

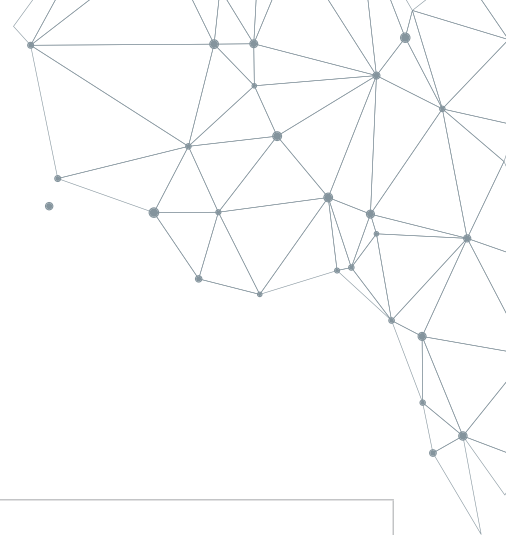


Indicator title	Number of students funded under established 4IR Research Chairs
<b>Definition</b>	To form partnerships and research collaborations with Public HET institutions to conduct research on 4IR related themes in relation to the MICT SETA sub-sectors.
<b>Source of data</b>	4IR Administration files SLAs signed with universities Student lists
<b>Method of calculation/assessment</b>	Simple count, each student funded under the Research Chairs is counted once
<b>Means of verification</b>	Signed SLAs with public Universities
<b>Assumptions</b>	Discretionary grant policy in place
<b>Disaggregation of beneficiaries</b>	Not applicable
<b>Spatial transformation</b>	Not applicable
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	90 students funded
<b>Indicator responsibility</b>	Senior Manager: 4IR

Indicator title	Number of 4IR occupational qualifications developed
<b>Definition</b>	Number of 4IR occupational qualifications developed in the current financial year.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Administration files</li> <li>• Proof of submission of qualifications to the QCTO for registration</li> </ul>
<b>Method of calculation/assessment</b>	Count the number of 4IR occupational qualifications that have been submitted to the QCTO
<b>Means of verification</b>	List of submitted qualifications submitted to the QCTO
<b>Assumptions</b>	4IR Integrated Digital Skills Strategy in place
<b>Disaggregation of beneficiaries</b>	Not applicable
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	15 4IR Occupational qualifications developed
<b>Indicator responsibility</b>	Senior Manager: 4IR

## Technical Indicator Descriptors (TIDS) *(continued)*

Dimension	Description
<b>Indicator title</b>	<b>Number of learning laboratories supported in collaboration with industry partners</b>
<b>Definition</b>	The learning laboratories initiated or supported in collaboration with industry partners aligned to emerging technologies
<b>Source of data</b>	Administration files and MoAs
<b>Method of calculation/assessment</b>	Count the number of labs/learning factories established with ICT infrastructure
<b>Means of verification</b>	List of labs/learning factories established and ICT infrastructure supported
<b>Assumptions</b>	4IR Integrated Digital Skills Strategy in place
<b>Disaggregation of beneficiaries</b>	Not applicable
<b>Spatial transformation</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	10 learning laboratories supported
<b>Indicator responsibility</b>	Senior Manager: 4IR



Dimension	Description
<b>Indicator title</b>	<b>Number of skills competitions supported in partnership with stakeholders</b>
<b>Definition</b>	Skills competitions, in partnership with stakeholders, supported financially to create and prepare a pool of learners that can compete in the World Skills competitions
<b>Source of data</b>	Administration files Invitations to skills competitions SLAs/MoUs with stakeholders
<b>Method of calculation/assessment</b>	Simple count: One skills competitions will be counted once.
<b>Means of verification</b>	List of competitions supported financially. Reports of competitions supported.
<b>Assumptions</b>	4IR Integrated Digital Skills Strategy in place Approved budget. Approved DG policy.
<b>Disaggregation of beneficiaries (Where applicable)</b>	Not applicable
<b>Spatial transformation (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	15 skills competitions
<b>Indicator responsibility</b>	Senior Manager: 4IR



## Technical Indicator Descriptors (TIDS) *(continued)*

### Programme 4: Education, Training and Quality Assurance

Dimension	Description
<b>Indicator title</b>	<b>Number of exit verifications conducted</b>
<b>Definition</b>	Ensure that the process of exit verification is conducted for funded and unfunded MICT SETA historical programmes for learner achievement.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Exit verification Plan</li> <li>• ETQA administration files</li> </ul>
<b>Method of calculation/assessment</b>	Simple count of the number of exit verifications conducted
<b>Means of verification</b>	Approved exit verification reports
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• An approved budget</li> <li>• Explicit QCTO policies, processes and procedures</li> <li>• Sufficient capacity to conduct the exit verifications</li> <li>• Commitment schedule</li> </ul>
<b>Disaggregation of beneficiaries (where applicable)</b>	N/A
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Annual
<b>Desired performance</b>	400 exit verifications conducted
<b>Indicator responsibility</b>	Senior Manager: Education, Training and Quality Assurance



Dimension	Description
<b>Indicator title</b>	<b>Number of training providers accredited</b>
<b>Definition</b>	Total number of accredited training providers against historical and occupational qualifications.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Accreditation reports</li> <li>• Monthly EXCO reports</li> <li>• Quarterly Management Reports</li> </ul>
<b>Method of calculation/assessment</b>	Simple count
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• List of recommended providers</li> <li>• Accreditation reports</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved budget</li> <li>• Occupational qualifications are registered to allow for accreditation of providers</li> <li>• There is sufficient interest in obtaining accreditation against occupational qualifications</li> <li>• Explicit QCTO policies, processes and procedures</li> <li>• Sufficient capacity</li> </ul>
<b>Disaggregation of beneficiaries (where applicable)</b>	Not applicable
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Annually
<b>Desired performance</b>	300 providers accredited
<b>Indicator responsibility</b>	Senior Manager: Education, Training and Quality Assurance

## Technical Indicator Descriptors (TIDS) *(continued)*

Dimension	Description
<b>Indicator title</b>	<b>Number of qualified Subject Matter Experts Registered</b>
<b>Definition</b>	Ensure that there are MICT SETA registered Assessors to conduct assessment on historical qualifications and QCTO approved Subject Matter Experts to conduct assessment on occupational programmes.
<b>Source of data</b>	Accreditation reports
<b>Method of calculation/assessment</b>	Each SME is counted separately and according to the programme(s) they are qualified to assess on.
<b>Means of verification</b>	Approved registration letters
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved Budget</li> <li>• Explicit Policies, processes and procedures</li> <li>• Sufficient applications.</li> </ul>
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Disaggregation of beneficiaries (where applicable)</b>	Women: 35% Youth: 25% Disability: 4%
<b>Spatial transformation (where applicable)</b>	N/A
<b>Desired performance</b>	150 qualified registered subject matter experts
<b>Indicator responsibility</b>	Senior Manager: Education, Training and Quality Assurance



Dimension	Description
<b>Indicator title</b>	<b>Number of qualified constituent registered moderators, moderating quality of programmes</b>
<b>Definition</b>	Ensure that there are qualified registered moderators (including in TVETs and CETs) moderating on MICT SETA historical qualifications
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Monthly Reports</li> <li>• QMRs</li> </ul>
<b>Method of calculation/ assessment</b>	Each moderator is counted separately and according to the programme(s) they are registered to moderate.
<b>Means of verification</b>	Database of registered moderators
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved Budget</li> <li>• Explicit Policies, processes and procedures</li> <li>• Adequate and proficient Human Capital to carry-out moderator registration and practices activities</li> <li>• Functional Management Information Systems</li> </ul>
<b>Disaggregation</b>	Women: 35% Youth: 25% Disability: 7%
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	150 Registered Moderators
<b>Indicator responsibility</b>	Senior Manager: Education, Training and Quality Assurance

## Technical Indicator Descriptors (TIDS) *(continued)*

Dimension	Description
<b>Indicator title</b>	<b>Number of realigned MICT SETA qualifications</b>
<b>Definition</b>	Realignment of MICT SETA historical qualifications into occupational qualifications and development of new occupational qualifications in high demand.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Process reports per realignment phase</li> <li>• Monthly Reports</li> </ul>
<b>Method of calculation/assessment</b>	Each qualification is recorded separately and counted once.
<b>Means of verification</b>	<ul style="list-style-type: none"> <li>• Proof of submissions of qualifications to the QCTO prior to verification</li> <li>• Acknowledgement letter from QCTO</li> </ul>
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved Budget</li> <li>• Explicit Policies, processes and procedures</li> <li>• Adequate and proficient Human Capital to qualifications development activities</li> <li>• Relevant stakeholders cooperation</li> </ul>
<b>Calculation type</b>	Cumulative
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	12 Qualifications Developed
<b>Indicator responsibility</b>	Senior Manager: Education, Training and Quality Assurance



Dimension	Description
<b>Indicator title</b>	<b>Number of registered assessment Centres for External Integrated Summative Assessment (EISA)</b>
<b>Definition</b>	Ensure that there are registered EISA Centres to conduct the External Integrated Summative Assessment for learner achievement on Occupational Programmes.
<b>Source of data</b>	<ul style="list-style-type: none"> <li>• Recommendation reports</li> <li>• ETQA administration file</li> </ul>
<b>Method of calculation/ assessment</b>	Simple count of the number of assessment centres recommended for registration
<b>Means of verification</b>	MICT SETA list of recommended assessment centres QCTO list of approved assessment centres.
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>• Approved Budget</li> <li>• Explicit Policies, processes and procedures</li> <li>• Adequate and proficient human capital to qualifications development activities</li> <li>• Sufficient applications</li> </ul>
<b>Calculation type</b>	Cumulative
<b>Disaggregation</b>	N/A
<b>Reporting cycle</b>	Quarterly
<b>Desired performance</b>	13 registered EISAs
<b>Indicator responsibility</b>	Senior Manager: Education, Training and Quality Assurance



**ANNEXURE A**



## Annexure A: Consolidated Output Indicators

Output indicator	Detailed output indicator	Reporting period	Target reporting type	Annual target 2023/24	Quarterly targets			
					1	2	3	4
Number of unemployed learners entering learning programmes	Percentage of discretionary grant budget allocated at developing high skills on an annual basis	Annually	Cumulative (year-end)	6.4%	–	–	–	6.4%
	Percentage of discretionary grant budget allocated at developing intermediate level skills on an annual basis	Annually	Cumulative (year-end)	92.4%	–	–	–	92.4%
	Percentage of discretionary grant budget allocated at developing elementary skills on an annual basis	Annually	Cumulative (year-end)	1%	–	–	–	1%
	Number of TVET students that require Work Integrated Learning to complete their qualifications, being placed in workplaces	Quarterly	Cumulative	1 600	500	500	300	300
	Number of university students requiring Work Integrated Learning to complete their qualifications placed in workplaces	Quarterly	Cumulative	685	200	220	140	125
	Number of MICT SETA offices established and maintained in TVET colleges	Quarterly	Cumulative	14	14	14	14	14
	Number of unemployed learners enrolled in internships	Quarterly	Cumulative	1 200	300	400	250	250
	Number of unemployed learners enrolled in skills programmes	Quarterly	Cumulative	950	237	237	237	239
	Number of unemployed learners enrolled in learnership programmes	Quarterly	Cumulative	3 250	800	816	816	818
	Number of unemployed learners enrolled for candidacy programmes	Quarterly	Cumulative	85	20	20	20	25
	Number of unemployed learners enrolled for short programmes	Quarterly	Cumulative	950	150	200	300	300
	Number of unemployed learners granted bursaries (new enrolments)	Quarterly	Cumulative	300	50	50	100	100
	Number of unemployed learners granted bursaries (continuing)	Quarterly	Cumulative	200	25	25	75	75



## Annexure A: Consolidated Output Indicators *(continued)*

Output indicator	Detailed output indicator	Reporting period	Target reporting type	Annual target 2023/24	Quarterly targets			
					1	2	3	4
Number of unemployed learners completing learning programmes	Number of TVET students that completed their Work Integrated Learning placements	Quarterly	Cumulative	560	0	75	242	243
	Number of university students completed their Work Integrated Learning placements	Quarterly	Cumulative	230	0	76	76	78
	Number of unemployed learners completed internships	Quarterly	Cumulative	600	0	200	200	200
	Number of unemployed learners completed skills programmes	Quarterly	Cumulative	470	158	0	156	156
	Number of unemployed learners completed learnership programmes	Quarterly	Cumulative	1600	0	250	675	675
	Number of unemployed learners completed candidacy programmes	Quarterly	Cumulative	50	0	0	15	35
	Number of unemployed learners completed short programmes	Quarterly	Cumulative	475	0	75	200	200
	Number of unemployed bursary who completed their studies	Quarterly	Cumulative	135	0	0	35	100
Number of employed learners entering learning programmes	Number of workers enrolled for bursary programmes (new entries)	Quarterly	Cumulative	70	15	17	17	21
	Number of workers enrolled for bursary programmes (continuing)	Quarterly	Cumulative	30	0	0	15	15
	Number of workers enrolled for skills programmes	Quarterly	Cumulative	180	50	36	36	58
	Number of workers enrolled for AET/CET programmes	Quarterly	Cumulative	65	10	10	22	23
Number of employed learners completing learning programmes	Number of workers completed bursary programmes	Quarterly	Cumulative	20	0	0	10	10
	Number of workers completed skills programmes	Quarterly	Cumulative	140	0	40	50	50
	Number of workers completed AET/CET programmes	Quarterly	Cumulative	20	10	0	0	10



## **PART 4: SERVICE LEVEL AGREEMENT (SLA)**

## Service Level Agreement (SLA)



**higher education  
& training**

Department:  
Higher Education and Training  
REPUBLIC OF SOUTH AFRICA

### SETA/DHET SERVICE LEVEL AGREEMENT FRAMEWORK 2023-2024

APPROVED/ NOT APPROVED/ AMENDED	
DIRECTOR-GENERAL	HIGHER EDUCATION AND TRAINING
SIGNATURE	
DATE	



## higher education & training

Department:  
Higher Education and Training  
**REPUBLIC OF SOUTH AFRICA**

### SERVICE LEVEL AGREEMENT

entered into by and between

#### DEPARTMENT OF HIGHER EDUCATION AND TRAINING

(hereinafter referred to as the "DHET" represented by Dr N Sishi, duly authorised thereto by virtue of his capacity as the Director-General,

and

#### MICT SETA

(hereinafter referred to as "SETA" represented by **Mr Simphiwe Thobela** duly authorised thereto in his/her capacity as Accounting Authority (Chairperson))

A handwritten signature in black ink, appearing to be 'S.T.' with a flourish.

1

## Service Level Agreement (SLA) *(continued)*

### 1. PURPOSE OF THE SERVICE LEVEL AGREEMENT

This Service Level Agreement (SLA) is entered into between the above-mentioned parties to agree on the targets required by the SETA in performing its statutory functions, meeting the National Skills Development Plan (NSDP) principles, outcomes and output indicators in implementing its Strategic Plan (SP) and Annual Performance Plan (APP).

### 2. DURATION OF THE SERVICE LEVEL AGREEMENT

The SLA is entered into for the period of **01 April 2023 to 31 March 2024**.


### 3. OBLIGATIONS OF THE SETA

#### 3.1 The SETA undertakes to:

- 3.1.1 perform its functions as required by the Skills Development Act No. 97 of 1998 as amended (SDA), Skills Development Levy Act No.9 of 1999 (SDL), Public Finance Management Act No. 1 of 1999 (PFMA), and all Related Regulations (RR), notices and guidelines promulgated currently and in the future and other related legislation;
- 3.1.2 implement the approved SP, APP, and budget;
- 3.1.3 provide adhoc reports that may from time to time be required by the Minister, Cabinet and Parliament within specified timelines;
- 3.1.4 address all findings raised by the Auditor-General South Africa (AGSA) in the previous financial year;
- 3.1.5 achieve all NSDP SLA targets, as failure to do so may result in the Department of Higher Education and Training (DHET) recommending to the Minister, implementation section 14 of the SDA, subsequently section 15;
- 3.1.6 advance economic growth, job creation and labour market development drivers through skills in current and future skills needed for development in technological advancement and digitalisation (4<sup>th</sup> Industrial Revolution);
- 3.1.7 submit Quarterly Skills Education and Training Management Information System (SETMIS) Reports and Annual Reports (AR) in accordance with National Treasury (NT), Department of Planning, Monitoring and Evaluation (DPME) and DHET requirements, including reporting on Sector funded interventions;
- 3.1.8 establish policies, processes and systems for credible research, monitoring, reporting and evaluation to support evidence based planning decisions (including the development of Sector Skills Plan (SSP), SP, APP) and operational decisions;
- 3.1.9 conduct tracer and impact evaluation studies inclusive of but not limited to determining employment (including self-employment) absorption rates of unemployed learners completing the SETA's priority occupations;
- 3.1.10 integrate in its interventions targets for women, differently-abled persons, youth, rural and other economically excluded beneficiaries;



- 3.1.11 establish a functional operational structure and staff establishment appropriate to the size of the sector, levy income and the administration budget limit thereof;
- 3.1.12 establish collaborations to implement the approved SP and APP including but not limited to partnerships with departments and public entities at all three spheres of government, inter SETA partnerships, public – private partnerships, and other organisations as permitted by the SDL Acts, RRs and the SETA Grants Policy;
- 3.1.13 support the imperatives contained within Job Summit Agreements and the temporary employee and employer relief scheme through delivery of flexible programmes that ensure that young people are suitably prepared and skilled to fill every entry level roles, particularly where companies need to scale their operations, these may include inter alia work readiness programme, short courses (accredited or non-accredited) that allow candidates to respond to changing economy;
- 3.1.14 support the collaboration in the establishment of public college Centres of Specialisation in partnership with employers and labour organisation.
  - 3.1.14.1 ring-fence grants annually and allocate as employers become available to take apprentices for Centres of Specialisation (CoS).
  - 3.1.14.2 prioritise the allocation of grants and report to DHET on the results annually.
- 3.1.15 support the implementation of rural development programmes for women, youth and people with disability;
- 3.1.16 support the revitalisation of rural and townships to uplift local economy through skills development;
- 3.1.17 provide financial support to World Skills South Africa;
- 3.1.18 the SETA Discretionary Grant (DG) Policy to include a provision for unsolicited proposals to enable flexibility and responsiveness to emerging needs of the Economic Reconstruction and Recovery Plan (ERRP), the Presidential Youth Employment Intervention (PYEI), and other government related priority projects. These projects will be guided by any of the interventions listed in the ERRP Skills Strategy which outlines a set of core interventions that allow for responsiveness to current and emerging opportunities in ways that build the system.
- 3.1.19 the SETA will meet one hundred percent (100%) of its TVET Graduate Placement targets by 31 December 2023.
- 3.1.20 the SETA will endeavor to meet at least twenty-five percent (25%) of its targets in every quarter and quarterly reports will be submitted to the Department to track progress on the implementation of set targets.
- 3.2 achieve all targets for the planning period as reflected in the table below:





## Service Level Agreement (SLA) *(continued)*

NSDP OUTCOMES	NSDP SUB-OUTCOMES	OUTPUT INDICATORS	BASELINE	SETA FUNDED TARGETS	SECTOR FUNDED
1. Identify and increase production of occupations in high demand	1.1 National enrolment and resource ratios for the high, intermediate and elementary skills level.	Percentage of discretionary grant budget allocated at developing high level skills	6,4%	6,4%	0
		Percentage of discretionary grant budget allocated at developing intermediate skills	92,4%	92,4%	0
		Percentage of discretionary grant budget allocated at developing elementary skills	1%	1%	0
	1.4 Identification of interventions required to improve enrolment and completion of priority occupations:	Number of WSPs and ATRs approved for Small firms	1000	1000	0
		Number of WSPs and ATRs approved for Medium firms	350	350	0
		Number of WSPs and ATRs approved for Large firms	220	200	0
		Number of sector research agreements signed for TVET growth occupationally directed programmes	0	0	0
		Number of learners who completed workplace-based learning programmes absorbed into employment or self-employment	0	0	0
		Number of established or emergent cooperatives trained on sector and national priority occupations or skills.	0	0	0
		Number of small and emerging enterprises trained on sector and national identified priority occupations or skills.	0	0	0
		Number of people trained on entrepreneurship supported to start their business.	150	150	0
2. Linking education and the workplace	2.1: Opening of workplace based learning opportunities increased	Number of TVET students requiring Work Integrated Learning to complete their qualifications placed in workplaces	1000	1600	0
		Number of TVET students completed their work integrated learning placements.	500	560	0
		Number of people enrolled in CET Internships	0	0	0
		Number of people completed CET Internships	0	0	0
		Number of universities students requiring work integrated learning to complete their qualifications placed in workplaces	450	685	0
		Number of university students completed their Work Integrated Learning placements	225	230	0
		Number of unemployed learners enrolled Internships	850	1200	0
		Number of unemployed learners completed Internship	425	600	0
		Number of unemployed learners enrolled Skills programmes	900	950	0
		Number of unemployed learners completed Skills programmes	450	470	0
		Number of unemployed learners enrolled Learnerships programmes	3200	3250	0
		Number of unemployed learners completed Learnerships programmes	1600	1600	0
		Number of unemployed learners enrolled for Candidacy programmes	80	85	0

NSDP OUTCOMES	NSDP SUB-OUTCOMES	OUTPUT INDICATORS	BASELINE	SETA FUNDED TARGETS	SECTOR FUNDED
3. Improving the level of skills in the South African workforce	3.1: To increase workers participating in various learning programmes to a minimum of 80% by 2030, to address critical skills required by various sectors of the economy, to transform workplaces, to improve productivity and to improve economic growth prospects in various sectors of the economy.	• Number of unemployed learners completed Candidacy programmes	50	50	0
		• Number of workers enrolled in Learnerships programmes	0	0	0
		• Number of workers completed Learnerships programmes	0	0	0
		• Number of workers granted Bursaries (new entries)	60	70	0
		• Number of workers granted Bursaries (continuing)	20	30	0
		• Number of workers granted Bursaries completed their studies	30	20	0
		• Number of workers enrolled Skills programmes	176	180	0
4. Increase access to occupationally directed programmes	4.2: Increase access for Intermediate and high level skills	• Number of workers completed Skills programmes	147	140	0
		• Number of workers enrolled AET programmes	60	65	0
		• Number of workers completed AET programmes	55	20	0
		• Number of artisan learners enrolled	0	0	0
		• Number of artisan learners completed	0	0	0
		• Number of unemployed learners granted Bursaries (new enrollments)	243	300	0
		• Number of unemployed learners granted Bursaries (continuing)	190	200	0
5. Support the growth of the public college system	5.1: Support the TVET Colleges	• Number of unemployed learners granted Bursaries completed their studies	126	135	0
		• Number of learners enrolled RPL/ARPL	60	100	0
		• Number of learners completed RPL/ARPL	55	42	0
		• Number of TVET partnerships established	18	14	0
		• Number of HEI partnerships established	26	25	0
		• Number of CET partnerships established	12	16	0
		• Number of SETA-Employer partnerships established	20	0	0
5.2 Support the CET Colleges	5.2 Support the CET Colleges	• Number of SETA offices established and maintained in TVET colleges	14	14	0
		• Number of Centres of Specialization supported	10	14	0
		• Number of TVET Lecturers exposed to the industry through Skills Programmes	70	75	0
		• Number of Managers receiving training on curriculum related studies	60	0	0
		• Number of TVET colleges Lecturers awarded Bursaries	60	75	0
		• TVET colleges infrastructure development (equipment/workshops)	0	0	0
		• Number of CET colleges lecturers awarded skills development programmes	70	75	0
		• CET colleges infrastructure development support (equipment/ workshops/ Connectivity/ ICT)	0	0	0



## Service Level Agreement (SLA) *(continued)*

NSDP OUTCOMES	NSDP SUB-OUTCOMES	OUTPUT INDICATORS	BASELINE	SETA FUNDED TARGETS	SECTOR FUNDED
		<ul style="list-style-type: none"> <li>Number of Managers receiving training on curriculum related studies</li> <li>Number of CET learners accessing AET programmes</li> </ul>	60 150	0 65	0 0
6. Skills development support for entrepreneurship and cooperative development	6.1: To increase skills development support for entrepreneurial activities and the establishment of new enterprises and cooperatives	<ul style="list-style-type: none"> <li>Number of cooperatives funded for skills that enhance enterprise growth and development</li> <li>Number of small businesses funded for skills that enhance growth and development</li> <li>Number of CBOs/ NGOs/ NPOs funded for skills that enhance the development and sustainability of their organisation activities.</li> </ul>	150 150 150	150 200 150	0 0 0
7. Encourage and support worker initiated training		<ul style="list-style-type: none"> <li>Number of Federations /Trade Unions supported through the relevant skills training interventions</li> </ul>	200	200	0
8. Support career development services		<ul style="list-style-type: none"> <li>Number of Career Development Events in urban areas on occupations in high demand</li> <li>Number of Career Development Events in rural areas on occupations in high demand</li> <li>Number of Career Development Practitioners trained</li> <li>Number of capacity building workshops on Career Development Services initiated</li> </ul>	26 26 40 02	27 28 40 02	0 0 0 0
9. Governance		<ul style="list-style-type: none"> <li>Quarterly SETA Good Governance report</li> </ul>	4	4	0
10. Rural Development		<ul style="list-style-type: none"> <li>Number of Rural Development Projects initiated</li> </ul>	50	50	0



#### 4. OBLIGATIONS OF DEPARTMENT OF HIGHER EDUCATION AND TRAINING


##### 4.1 The Department undertakes to:

- 4.1.1 consult the SETA on policy and strategic matters that may affect the functioning of the SETA;
- 4.1.2 specify timelines for the submission of adhoc reports;
- 4.1.3 continuously and timeously inform the SETA of any changes to legislation, regulations, policies and strategies that impact on the strategy and functions of the SETA and provide guidance for implementation;
- 4.1.4 provide the SETA with guidance on strategic planning documents and any matter that may be requested by the SETA in relation to its functions;
- 4.1.5 provide support to SETA where applicable in performing its functions and responsibilities;
- 4.1.6 validate and verify the accuracy of reports submitted by SETA and provide feedback quarterly.

#### 5. GENERAL

In-year amendments to the approved Service Level Agreement are not encouraged.

SIGNED AT Midrand ON THIS 30 DAY OF November 20

  
\_\_\_\_\_

**CHAIRPERSON** (Represented by **Mr Simphiwe Thobela** who warrants that he/she is duly authorised to this agreement)

SIGNED AT \_\_\_\_\_ ON THIS \_\_\_\_ DAY OF \_\_\_\_\_ 20

\_\_\_\_\_

**DIRECTOR-GENERAL** (Represented by **Dr N Sishi**, duly authorised thereto)

## Service Level Agreement (SLA) *(continued)*

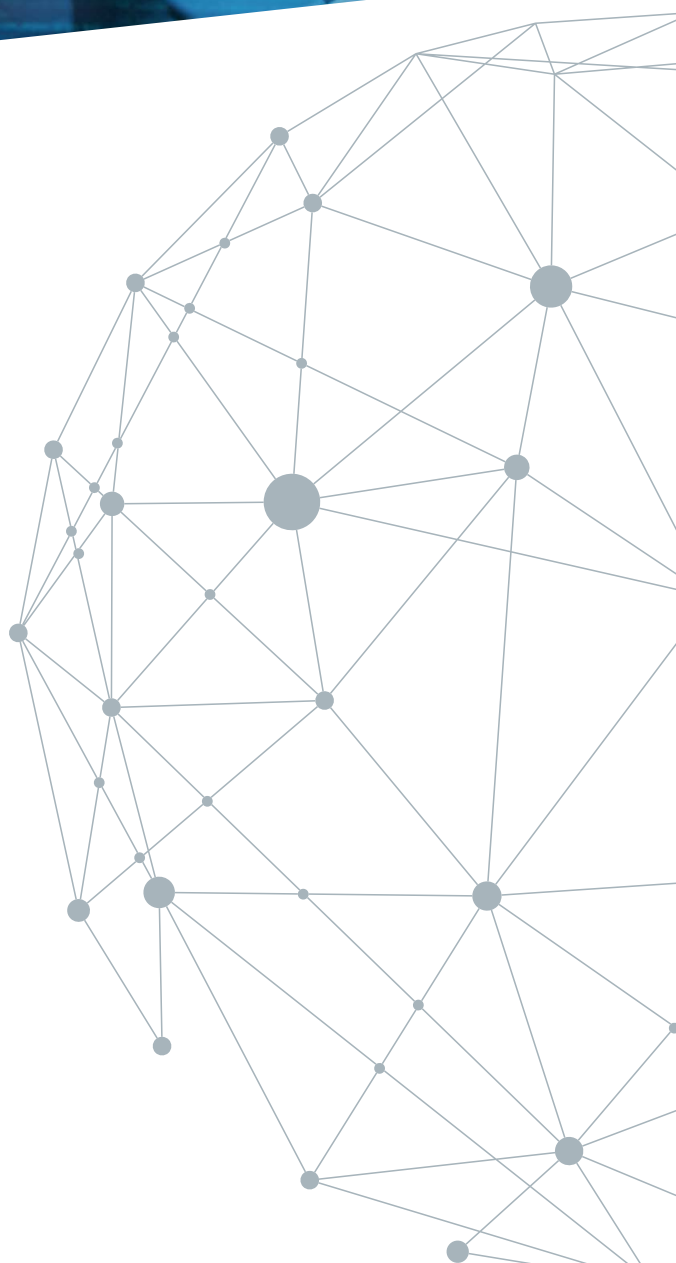
### Acronyms and Abbreviations

**AET-** Adult Education Training  
**AGSA-** Auditor-General South Africa  
**APP** - Annual Performance Plans  
**ARPL** - Artisan Recognition of Prior Learning  
**ATRs-** Annual Training Reports  
**CBO** – Community Based Organisations  
**CET-** Community Education and Training Colleges  
**CoS-** Centres of Specialisation  
**DG** - Director General of Higher Education and Training  
**DHET** - Department of Higher Education and Training  
**DPME-** Department of Planning, Monitoring and Evaluation  
**ICT-** Information Communication Technology  
**INDELELA-** National Development of Learnerships, Employment Skills and Labour Assessment  
**IR-** 4<sup>th</sup> Industrial Revolution  
**M & R** - Sub-directorate: Monitoring and Reporting of the (SETA Performance Management)  
**Minister** - Minister of the Department of Higher Education and Training  
**NC (V)** - National Certificate (Vocational)  
**NGO** – Non-Government Organisation  
**NPO** – Non-Profit Organisation  
**NSDP-** National Skills Development Plan  
**NT-** National Treasury  
**PFMA-** Public Finance Management Act No. 1 of 1999  
**RPL** - Recognition of Prior Learning  
**RR-** Related Regulations  
**SDA-** Skills Development Act No, 97 of 1998 and Skills Development Levy Act No.9 of 1999  
**SDLA-** Skills Development Levy Act No.9 of 1999  
**SETA** - Sector Education and Training Authority  
**SLA** - Service Level Agreement  
**SP** - Strategic Plans  
**SPM** - SETA Performance Management of the DHET  
**SSP** - Sector Skills Plans  
**TR-** Treasury Regulations  
**TVET** - Technical and Vocational Education and Training (formerly FET)  
**WBLPAR-** Workplace Based Learning Programme Agreement Regulation  
**WIL** - Work Integrated Learning  
**WSPs-** Workplace Skills Plans




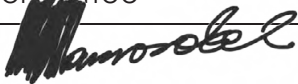
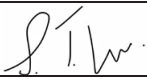


## **PART 5: MATERIALITY FRAMEWORK**



## Materiality and Significance Framework 2023/24

<b>Process:</b>	Materiality & Significance Framework
<b>Policy Number:</b>	FRAM FIN MAT v1p9 281122
<b>Effective Date:</b>	01 April 2023
<b>Version:</b>	1.9

<b>Recommended to FinRemCo by:</b>	Matome Madibana
<b>Designation:</b>	Chief Executive Officer
<b>Signature:</b>	
<b>Recommended to The Board by:</b>	Tebogo Mamorobela
<b>Designation:</b>	Chairperson: Finance and Remuneration Committee
<b>Signature:</b>	
<b>Approved by:</b>	Simphele Thobela
<b>Designation:</b>	Chairperson of the Board
<b>Signature:</b>	
<b>Approval Date:</b>	

FRAM FIN MAT v1p9 281122



## 1. BACKGROUND

Treasury Regulation Section 28.3.1 – “For purposes of material [sections 55(2) of the Public

Finance Management Act (PFMA)] and significant [section 54(2) of the PFMA], the Accounting Authority must develop and agree a framework of acceptable levels of materiality and significance with the relevant Executive Authority.

The purpose of this document is to record the level and reasoning for the suggested levels of materiality and significance for consideration by the governance structures of the SETA and for submission to and approval by the Executive Authority.

SAAS 320.03 defines materiality as follows: *“Information is material if its omission or misstatement could influence the economic decisions of users taken on the basis of the financial statements. Materiality depends on the size of the item or error judged in the particular circumstances of its omission or misstatement. Thus, materiality provides a threshold or cut-off point, rather than being a primary qualitative characteristic which information must have if it is to be useful.”*

Accordingly, we will be dealing with this framework under two main categories being quantitative and qualitative aspects.

## 2. QUANTITATIVE ASPECTS

### 2.1. MATERIALITY LEVEL

The level of materiality (for reporting to the Executive Authority) is assessed as R4 870 910 (**Note 1**) (2021/22 R4 666 927), being 0.5% of gross revenue. Gross revenue is defined as consisting of 80% of Skills Development Levies.

#### **Note 1**

**For purpose of the calculation, we have used the audited balances for 2021/22 financial year.**

[R974 182 000 (levies)] X 0.5% = R4 870 910

## Materiality and Significance Framework 2023/24 *(continued)*

Materiality can be based on several financial indicators. Detailed below is an indicative table of financial indicators of the type that National Treasury has set as a guideline for entities to use as a basis for calculating materiality:

Element:	% Range to be applied against R value
Total Assets	1% - 2%
Total Revenue	0.5% - 1%
Profit after tax	2% - 5%

In determining the materiality value as 0.5% of levies received, we have also considered the following factors:

### 2.1.1. Nature of the SETA's business

Funding in a SETA is received from levies collected by the Department of Higher Education and Training's collection agent, being SARS. Approximately 82% of these levies received are then channelled back to the sectors via various grants types. The SETA can therefore be seen as a conduit for the redistribution of funds received for learning needs back into the sector. Given the nature of the SETA to be revenue driven organisation, preference is given to gross revenue as the basis of defining the level of materiality. The SETA's asset base is too small, the SETA is not a "non-profit" public entity, and hence total assets and profit after tax are not used as the basis of determining materiality.

### 2.1.2. Statutory requirements laid down on the SETA

The SETA is a statutory body that has been formed to give effect to the Skills Development Act (SDA) and Skills Development Levies Act (SDLA) and has been listed as a Public Finance Management Act (PFMA) Schedule 3A public entity. We accordingly decided to give preference to a lower level of materiality (i.e. closer to the lower level of the acceptable percentage range) due to it being so closely governed by various acts and the public accountability responsibility it has to stakeholders.





### **2.1.3. The control and inherent risks associated with the SETA**

In assessing the control risk of the SETA and concluding that a materiality level lower than 0.5% of revenue should not be used due to a solid control environment being present, cognisance was given to amongst other:

- i.** Proper and appropriate governance structures have been established.
- ii.** An audit committee that closely monitors the control environment of the SETA was established.
- iii.** A three-year internal audit plan, based on annual risk assessments being performed, is annually reviewed and agreed by the audit committee; and
- iv.** The function of financial management and administration is being managed through the Office of the Chief Financial Officer.

## **3. QUALITATIVE ASPECTS**

Materiality is not merely related to the size of the entity and the elements of its financial statements. Obviously, misstatements that are large either individually or in the aggregate may affect a “reasonable” user’s judgement. However, misstatements may also be material on qualitative grounds. These qualitative grounds include amongst other:

- 3.1** New ventures that the SETA has entered into;
- 3.2** Unusual transactions entered into that are not of a repetitive nature and are disclosable purely due to the nature and knowledge thereof affecting the decision making of the user of the financial statements.
- 3.3** Transactions entered into that could result in reputational risk to the SETA.
- 3.4** Any fraudulent or dishonest behaviour of an officer or staff of the SETA.
- 3.5** Any infringement of MICT SETA’s agreed QMS performance levels; and
- 3.6** Procedures/processes required by legislation or regulation (e.g. PFMA and the Treasury Regulations).



## Materiality and Significance Framework 2023/24 *(continued)*

### 4. MICT SETA INTERNAL MATERIALITY LEVEL

#### 4.1 Quantitative Aspects

The materiality as set out in par 2.1 relates to reporting to the MICT SETA Executive Authority (being the Department of Higher Education and Training).

For internal reporting to the Accounting Authority, MICT SETA will use a lower quantitative materiality:

The level of materiality (for reporting to the Accounting Authority) is assessed as R2 435 455 (**Note 1**) (2021/22: R2 333 464), being 0.25% of gross revenue. Gross revenue is defined as consisting of 80% of Skills Development Levies.

**Note 1 For purpose of the calculation, we have used the audited balances for 2021/22**

$[R974\,182\,000 \text{ (levies)}] \times 0.25\% = R2\,435\,455$

#### 4.2 Qualitative Aspects

Qualitative materiality will be the same whether reporting internally (to the Accounting Authority) and externally (to the Executive Authority).



## 5. STATUTORY APPLICATION

	<b>Information to be submitted by accounting authorities</b>	
	<p>(1) Before a public entity concludes any of the following transactions, the Accounting Authority for the public entity must promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its Executive Authority for approval of the transaction:</p>	<p>Specific level of significance defined per subsection:</p>
	<p>(a) establishment or participation in the establishment of a company;</p>	<p>Any transaction to establish a company.</p>
Section 54 (2)	<p>(b) participation in a significant partnership, trust, unincorporated joint venture or similar arrangement</p>	<p>Where participation exceeds 20% of voting rights.</p>
	<p>(c) acquisition or disposal of a significant shareholding in a company</p>	<p>Any transaction to acquire or dispose of shareholding in a company.</p>
	<p>(d) acquisition or disposal of a significant asset</p>	<p>The cost of the asset acquired or disposed exceeds 15% of the total cost of assets.</p> <p>Any transaction where the income from or the investment in the</p>

## Materiality and Significance Framework 2023/24 *(continued)*

	(e) commencement or cessation of a significant business activity; and	business activity exceeds the amount determined in section 2.1 and business activity that are material in nature even if they are below the threshold as determined in section 2.1
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	(f) A significant change in the nature or extent of its interest in a significant partnership, trust, unincorporated joint venture or similar arrangement.	Where the change in the interest results in a change in the accounting treatment of the arrangement.
Section 55 (2)	The annual report and financial statements must: (b) include particulars of: (i) Any <b>material</b> losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year.	Both quantitative and qualitative aspects as referred to in sections 2 and 3 define materiality for purposes of losses through criminal conduct. All losses relating to irregular, fruitless, and wasteful expenditure are regarded as material due to the application of the nature of these losses (qualitative aspects).





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